to build 19th century America. Although the forests have been largely cut over, Michigan is still a major lumbering State. In all, the State of Michigan boasts 19 million acres of forests, yielding about 1 million cords annually. It is expected that Michigan's lumber harvest will be considerably increased as the second stand of timber grows in, for the lumbermen of the State are applying their knowledge of modern conservation methods to insure a continuing supply of wood. The hardwoods are basic to our furniture industry, while the softwoods underwrite Michigan's well-known paper and pulp industry.

Michigan is well endowed with many other natural resources. She is noted for her limestone. She is first in the production of salt in the Nation, furnishing about 20 percent of the Nation's supply. Of all the States, Michigan has easiest and greatest access to the bountiful supply of fresh water in the Great Lakes, by far the largest reservoir of fresh water in the world. Michigan annually ranks fourth in production of cement. She ranks high in the annual production of oil—over 10 million barrels per year. She is always very high, usually sixth, in the production of copper. Michigan has the world's largest limestone quarries and deposits of gypsum. Nationally Michigan is first in gypsum production and second in all stone production, including limestone. Michigan is second in the production of iron ore, supplying about 13 percent of the Nation's need.

Michigan's Lower Peninsula has extensive quantities of sand and gravel. Michigan's fine highways are built of her own native materials. The mention of highways brings to mind Michigan's wonderful traffic safety record. Although Michigan is high up among the States with the highest traffic volume, yet she has the second lowest number of traffic fatalities per 100 million miles traveled. In addition to industry, Michigan is a top notch agricultural State. The value of her agricultural products exceeds $730 million each year. For example, Michigan annually produces: 42 million pounds of strawberries with a value of $6.1 million; 65 thousand gallons of maple syrup worth $350,000; 6,000 acres of peppermint worth $800,000; 3,000 acres of spearmint, a crop worth $600,000. The Lower Peninsula of Michigan produces some 97 percent of the Nation's crop of navy beans. Beans may be baked in Boston, but they are raised in Michigan. The State also leads in the production of tomatoes, cucumbers, and cultivated blueberries. She is third in the production of apples, fifth in peaches, fourth in pears. In addition, Michigan is the largest producer of red tart cherries and is third in the production of sweet cherries. Celery and corn are also large crops. In all, 44 different fruit and vegetable crops are grown commercially in Michigan.

Recreation is also an important "product" for Michigan. The lakes, streams, and woodlands of the State combine to provide the perfect setting for vacationers. Ten million tourists annually roam the beauty spots in Michigan. The State's tourist and resort industry which caters to these millions accounts for a yearly revenue of some $700 million. This great influx of visitors makes Michigan the fourth most popular vacation spot in the Nation, accounting for some 6 percent of the domestic tourist trade.

With all of these assets bestowed by nature, with the tremendous diversity of commercial activity and opportunity and with this great magnetism for tourist, it is readily obvious that the great State of Michigan is richly deserving of an eminent place among her sister States. I feel sure that she has been accorded such a position and I am equally sure that she will continue to earn and deserve the pride of the Nation and the respect of her sister States. I ask you, Mr. Speaker, and all other Members of this House to join me in saluting the great State of Michigan during this—Michigan Week, 1960.

SENATE

TUESDAY, MAY 17, 1960

The Senate met at 12 o'clock meridian, and was called to order by Senator MIKE MANSFIELD, of Montana.

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

Eternal Father, Thou only art the fountain of our being; Thou art the light of all our seeing. Our puny mortal strength alone is unequal to the tests and tasks of the terrific times which are upon us. We dare not trust our own devices and councils.

To those who through the treacherous seas of this violent era pilot the Nation's course, give, we pray Thee, a revealing and steadying remembrance of the altars dedicated to spiritual verities at which the Founding Fathers knelt, and the moral standards to which they were committed.

For the radiant dream which we call America, hear our vow as we pledge our all as security for freedom's greatest venture against freedom's deadly foes now loose on the earth.

We ask it in the name above every name. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., May 17, 1960.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. MIKE MANSFIELD, a Senator from the State of Montana, to perform the duties of the Chair during my absence.

CARL HAYDEN,
President pro tempore.

Mr. MANSFIELD thereupon took the chair as Acting President pro tempore.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Monday, May 16, 1960, was dispensed with.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed the bill (S. 2611) to amend the Small Business Investment Act of 1958, and for other purposes, with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 7480. An act to amend the Federal Food, Drug, and Cosmetic Act, with respect to label declaration of the use of pesticide chemicals on raw agricultural commodities which are the produce of the soil;

H.R. 9792. An act to amend section 4111 of title 38, United States Code, with respect to the salary of managers and directors of professional services of Veterans' Administration hospitals, domiciliaries, and centers;

H.R. 10500. An act to amend the Career Compensation Act of 1949 with respect to incentive pay for certain submarine service;

H.R. 11602. An act to amend certain laws of the United States in light of the admission of the State of Hawaii into the Union; and for other purposes;

H.R. 11706. An act to authorize an extension of time for final proof under the desert land laws under certain conditions; and

H.R. 11985. An act to make American nationals eligible for scholarships and fellowships authorized by the National Science Foundation Act of 1950.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred as indicated:

H.R. 7480. An act to amend the Federal Food, Drug, and Cosmetic Act, with respect to label declaration of the use of pesticide chemicals on raw agricultural commodities which are the produce of the soil; and

H.R. 11985. An act to make American nationals eligible for scholarships and fellowships authorized by the National Science Foundation Act of 1950; to the Committee on Labor and Public Welfare.

H.R. 9792. An act to amend section 4111 of title 38, United States Code, with respect to the salary of managers and directors of professional services of Veterans' Administration hospitals, domiciliaries, and centers; to the Committee on Post Office and Civil Service.

H.R. 10500. An act to amend the Career Compensation Act of 1949 with respect to incentive pay for certain submarine service; to the Committee on Armed Services.

H.R. 11602. An act to amend certain laws of the United States in light of the admission of the State of Hawaii into the Union, and for other purposes; and

H.R. 11706. An act to authorize an extension of time for final proof under the desert land laws under certain conditions; to the Committee on Interior and Insular Affairs.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. JOHNSON of Texas. Mr. President, under the rule, there will be the

usual morning hour; and I ask unanimous consent that statements in connection therewith be limited to 3 minutes.

The PRESIDING OFFICER (Mr. CHURCH in the chair). Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. MANSFIELD, and by unanimous consent, the Subcommittee on Investigation of the Committee on Agriculture and Forestry; the Subcommittee on Flood Control—Rivers and Harbors, of the Committee on Public Works; the Communications Subcommittee of the Committee on Interstate and Foreign Commerce; and the Subcommittee on Patents of the Committee on the Judiciary, were authorized to meet during today's session of the Senate.

EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of executive business, to consider the nomination on the Executive Calendar.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER. If there be no reports of committees, the nomination on the calendar will be stated.

U.S. MARSHAL

The Chief Clerk read the nomination of Lyle F. Milligan, of Wisconsin, to be U.S. marshal for the eastern district of Wisconsin for the term of 4 years.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of this nomination.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

THE NEWS FROM PARIS ON INTERNATIONAL AFFAIRS

Mr. JOHNSON of Texas. Mr. President, the news from Paris will cause a wave of regret and disappointment all over the world. Apparently the prospects of any kind of a successful conference at the summit are virtually dead.

At no time were the prospects of great accomplishment from the summit conference better than 50–50. But the abrupt manner in which they seem to be coming to an end foreshadows a period of greater tensions and greater agony for a war-weary world.

Inspired stories from Communist sources seem to be indicating already that the world may be plunged into a crisis over Berlin. For whatever reason, the Communist leaders seem bent on forcing issues, rather than seeking to resolve them.

It is evident that the determination and the unity of the American people are going to be tested as never before in our history. The so-called cold war puts a heavy strain on the nerves and the hearts of people everywhere in the world.

This is definitely a time for Americans to unite, because something very precious is at stake—freedom in this world.

If there have been mistakes, responsibility will be assessed coolly and objectively. But one mistake that we cannot afford to make is to weaken the free world by division within our own ranks.

America should try to keep open every channel of communication, because it is always better to talk than to fight. But keeping open every channel of communication in good faith does not mean that we should relax our determination to maintain freedom as a way of life.

Mr. MANSFIELD. Mr. President, I should like to join in the statement which has been made by the distinguished majority leader. His statement exhibits his well-known pattern of statesmanship and responsibility, and especially so in the grave crisis which confronts all of us at the present time.

CONVICTION OF RUDOLF IVANOVICH ABEL—OPINION OF THE SUPREME COURT

Mr. DIRKSEN. Mr. President, yesterday the Supreme Court of the United States affirmed an earlier action in the case of one Rudolf Ivanovich Abel, who was indicted and tried in New York. He was convicted; and the court of appeals affirmed the conviction on July 11, 1958. The Supreme Court affirmed the conviction on March 28, 1960; and the Supreme Court on May 16, 1960, refused further review.

Rudolf Ivanovich Abel on August 7, 1957, was indicted on three counts charging him with having conspired from about 1948 to the date of the indictment, first, to communicate and transmit to the Soviet Union information relating to the national defense of the United States—conspiracy to violate 18 United States Code 794(a)—second, to obtain documents and other materials connected with the national defense of the United States for the purpose of transmitting such documents to the Soviet Union—conspiracy to violate 18 United States Code 793—and third, to act in the United States as an agent of the Soviet Union without prior notification to the Secretary of State—conspiracy to violate 18 United States Code 951.

The petitioner was convicted and sentenced to a total of 30 years and to pay a fine of $3,000. The conviction was affirmed by the court of appeals, and then was appealed to the Supreme Court.

On October 13, 1958, the Supreme Court granted certiorari. Briefs were filed, and the case was argued on February 17 and 18, 1959. The questions presented to the Court were first, whether the fourth and fifth amendments to the Constitution are violated by a search and the seizure of evidence without a search warrant, after an alien suspected and officially accused of espionage has been taken into custody for deportation, pursuant to an administrative Immigration Service warrant, but has not been arrested for the commission of a crime; and second, whether the fourth and fifth amendments are violative when articles so seized are unrelated to the Immigration Service warrant and, together with other articles obtained from such leads, are introduced as evidence in a prosecution for espionage.

Mr. President, in this connection, I should like to include in my remarks a complete copy of the indictment. If there is anything that stands at this moment as eloquent evidence of the kind of espionage carried on in this country by agents of the Soviet Union, this is it. After going through all the courts of the land, and twice to the highest court, the conviction has been affirmed; and the defendant will go to the Federal penitentiary for a period of 30 years, where he rightly belongs.

I should like to have both the Congress and the country know—since such items in text form do not always come to the attention of those who read the press and the magazines—just what is involved in this case. Therefore, I wish to have a copy of the complete indictment printed in the CONGRESSIONAL RECORD so the people generally can see whether espionage by agents of the Soviet Union is taking place in the United States.

There being no objection, the indictment was ordered to be printed in the RECORD, as follows:

U.S. DISTRICT COURT, EASTERN DISTRICT OF NEW YORK—UNITED STATES OF AMERICA *v.* RUDOLF IVANOVICH ABEL, ALSO KNOWN AS "MARK" AND ALSO KNOWN AS MARTIN COLLINS AND EMIL R. GOLDFUS, DEFENDANT

The grand jury charges:

COUNT ONE

1. That from in or about 1948 and continuously thereafter up to and including the date of the filing of this indictment, in the eastern district of New York; in Moscow, Union of Soviet Socialist Republics; and elsewhere, Rudolf Ivanovich Abel, also known as "Mark" and also known as Martin Collins and Emil R. Goldfus, the defendant herein, unlawfully, willfully and knowingly did conspire and agree with Reino Hayhanen, also known as "Vic"; Mikhail Svirin; Vitali G. Pavlov; and Aleksandr Mikhallovich Korotkov, coconspirators but not defendants herein, and with divers other persons to the grand jury unknown, to violate subsection (a) of section 794, title 18, United States Code, in that they did unlawfully, willfully and knowingly conspire and agree to communicate, deliver and transmit to a foreign government, to wit, the Union of Soviet Socialist Republics, and representatives and agents thereof, directly and indirectly, documents, writings, photographs, photographic negatives, plans, maps, models, notes, instruments, appliances and information relating to the national defense of the United States of America, and

particularly information relating to arms, equipment and disposition of U.S. Armed Forces, and information relating to the atomic energy program of the United States, with intent and reason to believe that the said documents, writings, photographs, photographic negatives, plans, maps, models, notes, instruments, appliances and information would be used to the advantage of a foreign nation, to wit, the Union of Soviet Socialist Republics.

2. It was a part of said conspiracy that the defendant and his coconspirators would collect and obtain, and attempt to collect and obtain and would aid and induce divers other persons to the grand jury unknown, to collect and obtain information relating to the national defense of the United States of America, with intent and reason to believe that the said information would be used to the advantage of the said foreign nation, to wit, the Union of Soviet Socialist Republics.

3. It was further a part of said conspiracy that the Government of the Union of Soviet Socialist Republics and certain of the coconspirators, including Aleksandr Mikhailovich Korotkov and Mikhail Svirin, being representatives, agents and employees of the Government of the Union of Soviet Socialist Republics, would by personal contact, communications and other means to the grand jury unknown, both directly and indirectly, employ, supervise, pay and maintain the defendant and other coconspirators for the purpose of communicating, delivering and transmitting information relating to the national defense of the United States to the said Government of the Union of Soviet Socialist Republics.

4. It was further a part of said conspiracy that the defendant and certain of his coconspirators would activate and attempt to activate as agents within the United States certain members of the U.S. Armed Forces who were in a position to acquire information relating to the national defense of the United States, and would communicate, deliver, and transmit, and would aid and induce each other and divers other persons to the grand jury unknown, to communicate, deliver, and transmit information relating to the national defense of the United States to the Government of the Union of Soviet Socialist Republics.

5. It was further a part of said conspiracy that the defendant and certain of his coconspirators would use shortwave radios to receive instructions issued by said Government of the Union of Soviet Socialist Republics and to send information to the said Government of the Union of Soviet Socialist Republics.

6. It was further a part of said conspiracy that the defendant and certain of his coconspirators would fashion containers from bolts, nails, coins, batteries, pencils, cuff links, earrings and the like, by hollowing out concealed chambers in such devices suitable to secrete therein microfilm, microdot and other secret messages.

7. It was further a part of said conspiracy that the said defendant and his coconspirators would communicate with each other by enclosing messages in said containers and depositing said containers in prearranged drop points in Prospect Park in Brooklyn, N.Y., in Fort Tryon Park in New York City, and at other places in the eastern district of New York and elsewhere.

8. It was further a part of said conspiracy that the said defendant and certain of his coconspirators would receive from the Government of the Union of Soviet Socialist Republics and its agents, officers and employees large sums of money with which to carry on their illegal activities within the United States, some of which money would thereupon be stored for future use by burying it in the ground in certain places in the eastern district of New York and elsewhere.

9. It was further a part of said conspiracy that the defendant and certain of his coconspirators, including Reino Hayhanen, also known as "Vic," would assume, on instruction of the Government of the Union of Soviet Socialist Republics, the identities of certain U.S. citizens, both living and deceased, and would use birth certificates and passports in the name of such U.S. citizens, and would communicate with each other and other agents, officers and employees of the Government of the Union of Soviet Socialist Republics through the use of numerical and other types of secret codes, and would adopt other and further means to conceal the existence and purpose of said conspiracy.

10. It was further a part of said conspiracy that defendant and certain of his coconspirators would, in the event of war between the United States and the Union of Soviet Socialist Republics, set up clandestine radio transmitting and receiving posts for the purpose of continuing to furnish the said Government of the Union of Soviet Socialist Republics with information relating to the national defense of the United States, and would engage in acts of sabotage against the United States.

In pursuance and furtherance of said conspiracy and to effect the object thereof the defendant and his coconspirators did commit, among others, in the eastern district of New York and elsewhere, the following:

Overt acts

1. In or about the year 1948 Rudolf Ivanovich Abel, also known as "Mark" and also known as Emil R. Goldfus and Martin Collins, the defendant herein, did enter the United States at an unknown point along the Canadian-United States border.

2. In or about the summer of 1952 at the headquarters of the Committee of Information (known as the KI) in Moscow, Union of Soviet Socialist Republics, Reino Hayhanen, also known as "Vic," a coconspirator herein, did meet with Vitali G. Pavlov, a coconspirator herein.

3. In or about the summer of 1952 at the headquarters of the Committee of Information (known as the KI) in Moscow, Union of Soviet Socialist Republics, Reino Hayhanen, also known as "Vic," a coconspirator herein, did meet with Mikhail Svirin, a coconspirator herein.

4. On or about October 21, 1952, in New York City, Reino Hayhanen, also known as "Vic," a coconspirator herein, did disembark from the liner "Queen Mary."

5. In or about October 1952, Reino Hayhanen, also known as "Vic," a coconspirator herein, did go to Central Park in Manhattan, New York City, and did leave a signal in the vicinity of the restaurant known as the Tavern-on-the-Green.

6. In or about 1952, Reino Hayhanen, also known as "Vic," a coconspirator herein, did go to the vicinity of Prospect Park in Brooklyn within the eastern district of New York.

7. In or about November 1952, Reino Hayhanen, also known as "Vic," a coconspirator herein, did go to Fort Tryon Park in New York City and did leave a message.

8. In or about December 1952, Reino Hayhanen, also known as "Vic," a coconspirator herein, did meet and confer with Mikhail Svirin, a coconspirator herein, in the vicinity of Prospect Park in Brooklyn within the eastern district of New York.

9. In or about the summer of 1953, Mikhail Svirin, a coconspirator herein, did meet and confer with Reino Hayhanen, also known as "Vic," a coconspirator herein, in the vicinity of Prospect Park in Brooklyn, within the eastern district of New York, and did give to Hayhanen a package of soft film.

10. On or about December 17, 1953, the defendant Rudolf Ivanovich Abel, also known as "Mark" and also known as Emil R. Goldfus and Martin Collins, did rent a studio consisting of one room on the fifth floor of the building located at 252 Fulton Street, Brooklyn, within the eastern district of New York.

11. In or about August or September 1954, the defendant Rudolf Ivanovich Abel, also known as "Mark" and also known as Emil R. Goldfus and Martin Collins, did meet with Reino Hayhanen, also known as "Vic," a coconspirator herein, in the vicinity of the Keith's RKO Theater, Flushing, Long Island, within the eastern district of New York.

12. In or about the summer of 1954 the defendant Rudolf Ivanovich Abel, also known as "Mark" and also known as Emil R. Goldfus and Martin Collins, and Reino Hayhanen, also known as "Vic," a coconspirator herein, did go by automobile to the vicinity of New Hyde Park, Long Island, within the eastern district of New York.

13. In or about March or April 1955, the defendant Rudolf Ivanovich Abel, also known as "Mark" and also known as Emil R. Goldfus and Martin Collins, and Reino Hayhanen, also known as "Vic," a coconspirator herein, did proceed by automobile from New York City to Atlantic City, N.J.

14. In or about the spring of 1955, Reino Hayhanen, also known as "Vic," a coconspirator herein, did proceed by automobile from New York City to the vicinity of Quincy, Mass., at the direction of defendant Rudolf Ivanovich Abel, also known as "Mark" and also known as Emil R. Goldfus and Martin Collins.

15. In or about December 1954 or January 1955, Reino Hayhanen, also known as "Vic," a coconspirator herein, did proceed by rail transportation from New York to Salida, Colo., at the direction of the defendant Rudolf Ivanovich Abel, also known as "Mark" and also known as Emil Goldfus and Martin Collins.

16. In or about the spring of 1955, the defendant Rudolf Ivanovich Abel, also known as "Mark" and also known as Emil R. Goldfus and Martin Collins, and Reino Hayhanen, also known as "Vic," a coconspirator herein, did proceed from New York City to the vicinity of Poughkeepsie, N.Y., for the purpose of locating a suitable site for a shortwave radio.

17. In or about the spring of 1955, the defendant Rudolf Ivanovich Abel, also known as "Mark" and also known as Emil R. Goldfus and Martin Collins, in the vicinity of 252 Fulton Street, Brooklyn, N.Y., within the eastern district of New York, did give a shortwave radio to Reino Hayhanen, also known as "Vic," a coconspirator herein.

18. In or about 1955 the defendant Rudolf Ivanovich Abel, also known as "Mark" and also known as Emil R. Goldfus and Martin Collins, did bring a coded message to Reino Hayhanen, also known as "Vic," a coconspirator herein, and did request him to decipher said message.

19. In or about February 1957, the defendant Rudolf Ivanovich Abel, also known as "Mark," and also known as Emil R. Goldfus and Martin Collins, did meet and confer with Reino Hayhanen, also known as "Vic," a coconspirator herein, in the vicinity of Prospect Park, Brooklyn, within the eastern district of New York, and did then and there give to Hayhanen a birth certificate and $200 in U.S. currency. (In violation of 18 U.S.C. 794(c).)

COUNT TWO

The grand jury further charges:

1. That from in or about 1948 and continuously thereafter and up to and including the date of the filing of this indictment, in the eastern district of New York, in Moscow, Union of Soviet Socialist Republics; and elsewhere, Rudolf Ivanovich Abel, also known as "Mark," and also known as Martin Collins and Emil R. Goldfus, the defendant herein, unlawfully, willfully, and knowingly did conspire and agree with Reino Hayhanen, also known as "Vic"; Mikhail Svirin; Vitali G.

Pavlov; and Aleksandr Mikhailovich Korotkov, coconspirators but not defendants herein, and with divers other persons to the grand jury unknown, to violate subsection (c) of section 793, title 18, United States Code, in the manner and by the means hereinafter set forth.

2. It was a part of said conspiracy that the defendant and his coconspirators would, for the purpose of obtaining information respecting the national defense of the United States of America, receive and obtain and attempt to receive and obtain documents, writings, photographs, photographic negatives, plans, maps, models, instruments, appliances, and notes, of things connected with the national defense of the United States, knowing and having reason to believe at the time of said agreement to receive and obtain said documents, writings, photographs, photographic negatives, plans, maps, models, instruments, appliances, and notes of things connected with the national defense, that said material would be obtained, taken, made, and disposed of contrary to the provisions of chapter 37, title 18, United States Code, in that they would be delivered and transmitted, directly and indirectly, to a foreign government, to wit, the Union of Soviet Socialist Republics and to representatives, officers, agents, and employees of the said Union of Soviet Socialist Republics, and the said defendant intending and having reason to believe that the said documents, writings, photographs, photographic negatives, plans, maps, models, instruments, appliances, and notes of things relating to the national defense of the United States of America, would be used to the advantage of a foreign nation, to wit, the said Union of Soviet Socialist Republics.

3. It was further a part of said conspiracy that the said defendant and his coconspirators would make contact with persons to the grand jury unknown, who were resident in the United States, and at places to the grand jury unknown, and who, by reason of their employment, position or otherwise, were acquainted and familiar with and were in possession of or had access to information relating to the national defense of the United States of America.

4. It was further a part of said conspiracy that the defendant and certain of his coconspirators would activate and attempt to activate as agents within the United States certain members of the United States Armed Forces who were in a position to acquire information relating to the national defense of the United States, and would communicate, deliver and transmit, and would aid and induce each other and divers other persons to the grand jury unknown, to communicate, deliver, and transmit information relating to the national defense of the United States to the Government of the Union of Soviet Socialist Republics.

5. It was further a part of said conspiracy that the defendant and certain of his coconspirators would use short-wave radios to receive instructions issued by said Government of the Union of Soviet Socialist Republics and to send information to the said Government of the Union of Soviet Socialist Republics.

6. It was further a part of said conspiracy that the defendant and certain of his coconspirators would fashion containers from bolts, nails, coins, batteries, pencils, cuff links, earrings, and the like, by hollowing out concealed chambers in such devices suitable to secret therein microfilm, microdot, and other secret messages.

7. It was further a part of said conspiracy that the said defendant and his coconspirators would communicate with each other by enclosing messages in said containers and depositing said containers in prearranged drop points in Prospect Park in Brooklyn, N.Y., in Fort Tryon Park in New York City, and at other places in the eastern district of New York and elsewhere.

8. It was further a part of said conspiracy that the said defendant and certain of his coconspirators would receive from the Government of the Union of Soviet Socialist Republics and its agents, officers, and employees large sums of money with which to carry on their illegal activities within the United States, some of which money would thereupon be stored for future use by burying it in the ground in certain places in the eastern district of New York and elsewhere.

9. It was further a part of said conspiracy that the defendant and certain of his coconspirators, including Reino Hayhanen, also known as "Vic," would assume, on instruction of the Government of the Union of Soviet Socialist Republics, the identities of certain U.S. citizens, both living and deceased, and would use birth certificates and passports in the name of such U.S. citizens, and would communicate with each other and other agents, officers, and employees of the Government of the Union of Soviet Socialist Republics through the use of numerical and other types of secret codes, and would adopt other and further means to conceal the existence of said conspiracy.

10. It was further a part of said conspiracy that defendant and certain of his coconspirators would, in the event of war between the United States and the Union of Soviet Socialist Republics, set up clandestine radio transmitting and receiving posts for the purpose of continuing to furnish the said Government of the Union of Soviet Socialist Republics with information relating to the national defense of the United States, and would engage in acts of sabotage against the United States.

Overt acts

In pursuance and furtherance of said conspiracy and to effect the object thereof, the defendant and his coconspirators did commit, among others, within the eastern district of New York and elsewhere, the overt acts as alleged and set forth under count one of this indictment, all of which overt acts are hereby realleged by the grand jury (section 793, title 18, United States Code).

COUNT THREE

The grand jury further charges:

1. That throughout the entire period from in or about 1948 and up to and including the date of the filing of this indictment, the Government of the Union of Soviet Socialist Republics, through its representatives, agents, and employees, maintained within the United States and other parts of the world a system and organization for the purpose of obtaining, collecting, and receiving information and material from the United States of a military, commercial, industrial, and political nature, and in connection therewith recruited, induced, engaged, and maintained the defendants and coconspirators hereinafter named and divers other persons to the grand jury unknown as agents, representatives, and employees to obtain, collect, and receive such information and material for the said Government of the Union of Soviet Socialist Republics.

2. That from in or about 1948 and continuously thereafter up to and including the date of the filing of this indictment in the eastern district of New York; in Moscow, Union of Soviet Socialist Republics; and elsewhere, Rudolf Ivanovich Abel, also known as "Mark" and also known as Martin Collins and Emil R. Goldfus, the defendant herein, unlawfully, willfully, and knowingly did conspire and agree with the Government of the Union of Soviet Socialist Republics, and with agents, officers, and employees of the said Government of the Union of Soviet Socialist Republics, including Aleksandr Mikhailovich Korotkov, Vitali G. Pavlov, Reino Hayhanen, also known as "Vic," coconspirators but not defendants herein, and with divers other persons to the grand jury unknown, to commit an offense against the United States of America, to wit, to violate section 951, title 18, United States Code, in the manner and by the means hereinafter set forth.

3. It was a part of said conspiracy that the defendant and Reino Hayhanen, also known as "Vic," and other coconspirators to the grand jury unknown, none of whom were included among the accredited diplomatic or consular officers or attachés of the said Government of the Union of Soviet Socialist Republics or of any foreign government, would, within the United States, and without prior notification to the Secretary of State, act as agents of the said Government of the Union of Soviet Socialist Republics, and would, as such agents, obtain, collect, and receive information and material of a military, industrial and political nature, and as such agents would communicate and deliver said information and material to other coconspirators for transmission to the said Government of the Union of Soviet Socialist Republics. It was also a part of the said conspiracy that coconspirators residing outside the United States would direct, aid and assist the defendant and certain coconspirators as aforesaid to act as such agents within the United States and would receive and transmit the said information and material to the said Government of the Union of Soviet Socialist Republics.

4. It was further a part of the said conspiracy that the said Government of the Union of Soviet Socialist Republics and its officers, agents and employees would employ, supervise and maintain the defendant and Reino Hayhanen, also known as "Vic," within the United States as such agents of the said Government of the Union of Soviet Socialist Republics for the purpose of obtaining, collecting, receiving, transmitting and communicating information and material of a military, commercial, industrial and political nature.

5. It was further a part of the said conspiracy that the defendant and certain of his coconspirators would receive sums of money and other valuable considerations from the Government of the Union of Soviet Socialist Republics, its officers, agents and employees, in return for acting as said agents of the Union of Soviet Socialist Republics within the United States for the purpose of obtaining, collecting, receiving, transmitting and communicating information, material, messages and instructions on behalf and for the use and advantage of the said Government of the Union of Soviet Socialist Republics.

6. It was further a part of said conspiracy that the said defendant and his coconspirators would use false and fictitious names, coded communications, and would resort to other means to the grand jury unknown to conceal the existence and purpose of said conspiracy.

Overt acts

In pursuance and furtherance of said conspiracy and to effect the object thereof, the defendant and his coconspirators did commit, among others, within the eastern district of New York and elsewhere, the overt acts as alleged and set forth under count I of this indictment, all of which overt acts are hereby realleged by the grand jury. (In violation of sec. 371, title 18, United States Code.)

WILLIAM F. TOMPKINS,
Assistant Attorney General.
LEONARD P. MOORE,
U.S. Attorney.

THE NEEDS AT THE PARIS CONFERENCE

Mr. MANSFIELD. Mr. President, at this point it appears unlikely that the summit meeting will continue. The need to save face may well prevail over

the need to save civilization. There is still a possibility, however, that Mr. Macmillan and President de Gaulle will be able to impress upon Mr. Khrushchev the need for these meetings to go on to the end that a greater measure of stability may be brought about in the international situation, before the little stability that is left disappears entirely.

The problem at Paris is not the U–2 incident; it is world peace. The blunders involved in that incident and—let us use the correct word in all honesty; let us call a spade a spade—the blunders in that incident and its handling are for this Nation to face. Responsibility for dealing with them rests, not with Mr. Khrushchev, but with the politically responsible President, with the politically responsible Congress, and with the American people who hold both accountable.

At the proper time, we shall trace the chain of command, or lack of it, which set in motion the U–2 flight, which has undercut the deep-seated desire of the people and policies of the United States for peace.

At the proper time, we shall find out what lies beneath the confusing zigzags of official pronouncements of the past fortnight. We shall find out why, on one day, the Congress and the people of the United States are told by the Secretary of State that, in effect, it is the policy of the United States to sanction the continuance of reconnaisance flights across the borders of another nation and why the Vice President, on a TV appearance last Sunday, confirmed this policy. We shall find out why this happens at one time, and then, subsequently, in Paris, the President tells Mr. Khrushchev and the world that such flights had already been halted last Thursday by his order and are not to be resumed. Why these conflicting statements? Why the delay in making clear that in official policy the United States sustains international law, and that this policy is established by the President, and the President alone speaks for this Nation?

These are grave questions, for they suggest that there is not one administration, but two, not one official policy but two, with the stature and safety of the Nation and the continuance of peace torn between them.

I repeat: At the appropriate time, these questions and others will be asked. They must be asked. The people of the United States will demand that they be asked and answered, for they go to the heart of our system of responsible popular Government. They go to the heart of the question of our survival as a free Nation. But, I repeat: It is for us, not for Mr. Khrushchev, to ask and answer them.

It is for Mr. Khrushchev and the other participants at Paris to get down to negotiation, to serious negotiation, on the critical differences which divide mankind.

It is to be hoped that President de Gaulle will assume leadership in bringing about these negotiations. He stands outside the immediate crisis between the United States and the Soviet Union. As host to the conference, as a man with a profound depth of understanding of the great need for peace in an anxious Europe and a troubled world, he may yet bring a measure of sanity, a measure of reason to this conference which is otherwise destined to be stillborn.

May I say, further, that it is to be hoped that if these talks do go on, the administration will seriously consider inviting the chairman of the Foreign Relations Committee to Paris to join the American delegation. We are all in this together, Democrats and Republicans. We are all bound by a common responsibility for what may transpire at this critical moment. I would respectfully suggest, in this connection, that the able and distinguished Senator from Arkansas, the chairman of the Committee on Foreign Relations [Mr. FULBRIGHT] who is now in the Middle East, be summoned forthwith to serve in an advisory capacity to the President in Paris.

Mr. President, I recognize that responsibility for the conduct of foreign policy rests with the President of the United States. In making these remarks, I do not speak for any other Member of this body on either side of the aisle. I speak only as a Senator from Montana, responsible to the people of Montana, to the Nation, and to my own conscience.

I make these remarks with the greatest reluctance and in full realization that the hour is desperately late. I make them because I do not believe it is simply a game of renewed cold war which will ensue if this conference fails. It is more likely, in my opinion, to be the beginning of a deepening of the crisis in Germany and elsewhere which sooner or later must bring this Nation, the Soviet Union, all peoples to the edge of catastrophe. That may be inevitable and if it is we must all face it together. But I would not be keeping faith with my State, with the Nation, and with my conscience if I did not now state my feelings as plainly and bluntly as I am able, if I did not urge the four statesmen in Paris once more to recognize, before the long night begins to close in upon us, that they are in every sense the principal guardians of humanity's highest hopes, perhaps of the human species itself and to act in accord with that sacred trust.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. AIKEN. Although I join with the Senator from Montana in expressing our deep regret at the apparent failure of the summit conference in Paris, I would, however, be willing to leave it to history and future revelation to fix the responsibility for this failure. At some time perhaps we may get to the bottom of some of the mysteries that have surrounded the circumstances of the last 2 weeks.

I join the Senator from Montana in expressing the hope that General de Gaulle, President of France, and host to the conference, will be able to exert enough leadership to pull the Western allies back into unanimity, if there is a lack of such unanimity at the present time, and also to get the summit conference under way again, so that we may salvage some results from the great effort which has already been put into preparation for this conference.

Mr. Khrushchev has apparently made compliance with some impossible conditions a condition to the resumption of the conference in Paris. I would not expect the President of the United States to apologize to Russia for the U–2 incident unless Mr. Khrushchev is willing to apologize to the world, to every other country in the world, for maintaining tho most elaborate espionage system the world has ever known.

There is a question in our minds—perhaps not so much of a question—as to whether Mr. Khrushchev ever desired the Paris conference to produce any degree of satisfactory results; but what I think we ought to make clear at the present time, and make clear to the people of Russia, the people of Western Europe, and the people of all the world, is that the people of the United States are still very earnestly desirous of making such agreements on an international scale as will lessen the danger of a terrible conflict such as could conceivably result, although I would not agree that it is imminent; and we ought to continue our efforts toward securing agreements on disarmament, as well as on other matters which relate to the relationships between the different countries of the world.

We must have world peace, and we must let the people of the world know of our desire for world peace.

There is some question now as to whether the people of Russia are fully informed by their own Government as to what the situation is. It is believed that whatever they are told, they are given in a prejudicial manner, and one which would reflect against the people of the Western World.

I join with the Senator from Montana in expressing the opinion that we should not give up hope, and that President de Gaulle and his associates will exert every effort possible to secure a renewal of the Paris conference, or the summit conference, as it is called.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to proceed for an additional minute, so that I may comment on what the distinguished senior Senator from Vermont has said.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana? The Chair hears none, and it is so ordered.

Mr. MANSFIELD. Mr. President, as always the distinguished Senator from Vermont [Mr. AIKEN] shows the hallmarks of statesmanship and common sense. I agree with every word he has said.

The Senator from Vermont has mentioned the resumption of the Disarmament Conference at Geneva. I should like to see it resumed, as well as the Conference on Nuclear Testing and also the Conference on Surprise Attack, which I understand is technically still in existence even though no meetings have been held, if my understanding is correct, since December of 1958.

I will say to the Senator also that if the summit meeting at Paris fails, we

will all know whom to blame for the debacle, and we will know how to pinpoint it, because of events up to the present time.

I sincerely hope, in the interest of mankind as a whole, that these statesmen on whom the world depends will forget anything which might affect them personally, will think of the people all over the world, and will do what they can to bring about a degree of stabilization and, if at all possible, a modicum of peace as well.

I thank the Senator from Vermont, who has said in fewer words than I what the present situation is, what our hopes are, and what we devoutly pray will be accomplished.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. WILEY. I wish to place in the RECORD at this point a bit of information which Drew Pearson got the other day from Mr. Adenauer, when he was in Bonn. Mr. Pearson spoke to Chancellor Adenauer about the situation, and I quote from what he has said:

> I asked the vigorous Chancellor of West Germany if the so-called spy incident hadn't played into Khrushchev's hands and got the summit conference off to a bad start. He brushed it aside with, "It isn't remotely comparable to the spying Russia has been doing against the West. Russian planes fly over Germany all the time. The Communist bloc countries have 1,000 agents in Germany alone. Khrushchev has exaggerated the incident out of all proportion."

I should like to make a comment in relation to that matter. I think Chancellor Adenauer has really brought to the summit what we might call the factual situation facts. Khrushchev never intended to have this meeting. Why? Because he needed to "shoot off" his mouth for the benefit of home consumption.

Those are not my words, but those are substantially the words of an American commentator in the Near East, who is acquainted with the conditions as they exist.

In other words, this was a diversionary tactic on the part of Mr. Khrushchev. Of course, if he can call a conference later on, when conditions at home have been smoothed over, and probably when the people in Russia who are feeling the ferment all over the world for a better standard of living have been put to sleep in one way or another, he may think it will be more opportune to hold a conference then. Then, if the conference is held, will we permit him, by his ways and means, to give us a sleeping pill?

I think the particular issue right now in America is that we be alert, be adequate, and put ourselves in a position where we will know what is going on.

In the article to which I have referred the point is brought out that Khrushchev has known what has been going on, but because the Russians happened to shoot down this young American, Khrushchev had a chance to blow up the incident and to scuttle the summit meeting.

I am not one of those who thinks war is "right around the corner," so long as we are adequate and so long as we are prepared for any emergency, of which fact Khrushchev will be made aware. He, of course, is the prime actor on the world stage. He can pull most any stunt and get the publicity he desires.

I agree with the commentators of last evening. The general consensus was that Khrushchev is not getting by with this, that the common people in the various countries recognize him for what he is.

THE SUMMIT CONFERENCE

Mr. JAVITS. Mr. President, I wish to address myself to the same subject on which the distinguished Senator from Montana [Mr. MANSFIELD] just spoke, and to one or two different points.

One thing which stands out from what is occurring in Paris now with its serious impact upon the peace of the world is that Chairman Khrushchev seemingly has made a completely wrong estimate of the spirit of the American people. It has been reported that when he visited the United States he went away with the feeling that we were soft. This is a dangerous and unwarranted assumption. I do not believe it is shared by the Russian people; and if there is a public opinion in the Soviet Union, Chairman Khrushchev has by now driven matters so far that even it might assert itself.

What is important to us is that Chairman Khrushchev's bid to determine the result of our 1960 elections by outbursts or intransigeance in Paris or Moscow—or by saying, in effect, he wants to negotiate with a new President—will inevitably fail. The American people, as they have already shown, close ranks in the face of any such obvious maneuver. Not only must we close ranks at home, as has already been demonstrated in the Senate and in the House of Representatives, but we must not put all our eggs in the summit basket, which is the mistake our country could make, one which, perhaps notwithstanding the recent tragic events, we may have been saved from making. We cannot put all our eggs in the summit basket. That much is clear.

What is really the issue for us "the morning after" is the renewed effort to integrate the free world itself and to create a rule of law in the world in which the United Nations must be a prime mover. Right now we have much to be desired on both counts.

Mr. President, I join with the sentiment of the Senator from Montana [Mr. MANSFIELD]. I compliment him in expressing the hope which we all express that, everyone having had a chance to sleep over what occurred yesterday, we shall continue the negotiations in Paris, and that President de Gaulle may be the happy instrument for bringing that about. Certainly we all devoutly wish it.

We cannot in the meantime waste our lives in frustration, whatever Chairman Khrushchev's propaganda may bring, or whatever direction it may take.

So I suggest two things as well worthy of our attention. I urge upon the President right now at Paris, and thereafter, in order to utilize our time to the full: First, the integration of the free world in problems of trade, aid, immigration, refugee resettlement and travel with respect to which we face serious failures of cooperation. An example of that is the European trade conflict which was threatened, and now seems to be lessened in intensity, between the Inner Six and the Outer Seven. We have enormous difficulties right now in the growing sentiment for increased tariff protection against imports in the United States. Also there is the danger of impending meat ax cuts in the mutual security program in the Congress, and the difficulty of getting other nations to carry their share of the cost or burden of the common defense, and additional difficulties in liquidating archaic colonialist positions.

The free world needs to make a massive effort to aid less developed areas; to improve technical, professional, educational, cultural, athletic and other exchanges; to deal with extreme fluctuations in primary commodity prices, and to develop broader and more prosperous internal markets through establishing further common market and free trade areas.

The free world need not and should not exclude the Communist bloc, but it should utilize this opportunity of a probable interregnum in the effort to come to closer accord with the Communist bloc to more effectively unite its elements, and marshal its own resources for the peace struggle. Whatever may be the storm of the moment, observers believe that it will gradually subside and that something resembling competitive coexistence may develop, but this time we hope with far fewer illusions about the desirability of a relaxation in tensions as an end in itself, and with better understanding of the fact that "competitive coexistence" means the most intensive kind of struggle on every level short of nuclear war.

The United Nations has an important role to play in this situation. It is not yet standing up to its opportunity as the agency demanding a rule of law in the world. Its diplomacy still requires "playing it safe." This is the real significance of Secretary General Dag Hammarskjold's mild statement on boycotts and blockades of the Suez Canal by President Nasser, notwithstanding violations of international treaty commitments, international law, and President Nasser's explicit promises of 1956 made directly to the United Nations itself.

Mr. President, the Secretary General is doing the best he can, and his attitude is very understandable. His attitude is the natural result of a fear that the necessary two-thirds of the nations will not back a strong moral and legal position, and therefore of thinking of the United Nations more as a trade association to be held together at any cost than as an agency to secure justice in world affairs.

The real difficulty appears to be that Chairman Khrushchev and his associates have the idea that they are about to leapfrog the whole world in terms of basic productive strength and capability. The free world needs to make a bound forward to restore the perspective of the Soviet leaders. This can most effectively

be done by major means to unite the free world and integrate its resources, and by strengthening the machinery for undertaking the rule of law in the United Nations. It is for this reason that President Eisenhower's proposal for aerial surveillance will become so important. Let us utilize our time now to advantage, not in useless recriminations of the what-might-have-been.

Mr. President, I address this request to our President. Let him in Paris now—even if Mr. Khrushchev will not participate—continue the summit conference for the purpose of uniting and strengthening the free world. This will in the ultimate prove to be far more potent than endeavoring to continue negotiations with a man who refuses to negotiate for whatever reasons he may have. This means no derogation of our love for peace and no derogation of our respect for the Russian people. It means only that we move to strengthen the free world at a time when its strength will determine whether or not there shall really be peaceful coexistence, or whether the Communists will so completely overestimate their own situation as to bring us to the brink of some holocaust. Chairman Khrushchev shows that negotiations with the Communist bloc are likely to prove fruitful only when we have proved the economic superiority of our system. In the meantime we should talk and negotiate at every opportunity but without illusions.

Mr. KEATING. Mr. President, I wish to associate myself with the very fine remarks made by the distinguished Senator from Montana [Mr. MANSFIELD], the distinguished Senator from Vermont [Mr. AIKEN], and others with regard to the episode which the world witnessed yesterday, and commend them for the views they expressed.

Certainly, for all-around arrogance, it would be extremely difficult to outdo yesterday's performance by the world's highest ranking blusterer, Mr. Khrushchev. It was not enough that he had already received assurance that American reconnaissance flights over the Soviet Union had been suspended since the U–2 incident and would not be resumed, but he wanted more. He wanted a public humiliation of the President of the United States. He wanted apologies, punishments, and guarantees as his price for remaining in Paris, and as an added insult, he withdrew his invitation to President Eisenhower to visit the Soviet Union.

The height of his insult was reached in his effort to interfere with the electoral processes in the United States, in the statement that a new administration might have a different method of dealing with him. Then he threw into it, for good measure, some very insulting remarks about the President of the United States.

I do not believe that Mr. Khrushchev will be successful in influencing the people of this country with respect to their selection of candidates for high office. I rather anticipate also that Mr. Khrushchev will learn before he is through that the people of this country are very well united in their method of dealing with him. Certainly this effort on his part to interfere with our electoral process was a gratuitous insult of the first order.

He had the consummate gall to demand American punishment for all those concerned with the U–2 flight. He failed to tell us what punishment, if any, has been meted out by the Soviet Union to the spies, both Russian and American, who have left this country and disappeared behind the Iron Curtain in Russia, some of them now holding high positions in that country. I know of no case in which anyone has been punished in Russia for his acts in syping on our country.

I suppose Khrushchev expects Congress to impeach the President of the United States and sentence Allen Dulles to 20 years at hard labor. In that connection, Mr. Khrushchev had better think twice.

Millions and millions of people in this country and all over the world prayed that the summit conference would resolve issues or, at least, take an important step in that direction. It is still the hope of many, including myself, that the summit talks will continue, although certainly a heavy cloud has been cast over that hope.

What can possibly be the motives of a man who deliberately seeks to wreck the conference on its very first day? Clearly this is not something that was thought out on the moment. It was preconceived in Moscow. The reaction of thinking people in the free world can only be one of utter disgust. It is obvious that Mr. Khrushchev wants the cold war to continue. The world now knows that his pious pleas for peace were as phony as an aluminum half dollar.

As for his crude withdrawal of his invitation to the President, this is one of the rare cases in history when inhospitality has been used as a weapon. Khrushchev apparently is disposed to feel that he cannot run the risk, not of hostile demonstrations, as he has indicated, but friendly demonstrations toward our President by the Russian people. In the light of President Eisenhower's triumphal visits to India and Pakistan and South America, this is perhaps understandable.

The militarily realistic Soviet people cannot be sold the idea that spying is the act of the Devil, as Khrushchev has put it, because spying is an accepted policy of the Soviet Government. Fundamentally this is not a positive move on Khrushchev's part; it is a negative move, and a move of retreat. The thin armor plate of moral indignation he has assumed does not become this man whose past does not bear complete unveiling. While his colonies of spies range all over the world, and not only go unpunished, but are honored, we are asked to make a public show of penitence because one of our intelligence agents was apprehended by the Soviets.

Mr. President, the world knows that President Eisenhower is a truly dedicated man of peace, more dedicated to the maintenance and preservation and furtherance of peace in this world than any other individual, and that he has done as much as he honorably can do to hold the summit together. If the summit disintegrates, the responsibility will rest squarely upon Nikita Khrushchev.

Mr. SCOTT. Mr. President, will the Senator yield?

Mr. KEATING. I yield.

Mr. SCOTT. I thank the distinguished Senator from New York for yielding to me. Does not the Senator agree with me that Mr. Khrushchev is fighting a certain intangible which he cannot beat, and which he can never hope to beat? I refer to the fact that he has indicated he does not want President Eisenhower to appear in Russia. A statement given out by his aides strongly indicates that his purpose is to take a chance on the next election, and thereby hope that under those circumstances a future President might come to Russia under conditions which he thinks would be more favorable to him; whereas the next President of the United States, no matter who he is, will go not only as President, if he goes to Russia, but also as the symbol of something that Mr. Khrushchev cannot lick, and that is the symbol of freedom. If he goes, he will be cheered. If he goes, the hearts of the Russian people will go out to him, as the people of the satellite countries gave their hearts to the leaders of America, and as the peoples of the world gave their hearts to Eisenhower. They stand and cheer and they stand and weep, because they see before them the symbol of the free peoples of the earth.

Does not the Senator agree with me that what Mr. Khrushchev is hoping for is that someone will get him off the hook, from which he cannot extricate himself because he is the head of a slave system?

Mr. KEATING. What the Senator says is true. Khrushchev will be fooled. In the first place, the most insulting move I have ever heard of is the attempt to tell the American people whom they should name or what party they should name to control the destinies of this country.

Secondly, I do not believe it will be of any effect in this country, because our Nation stands united, no matter who our President is. If the President ever went to Russia, he would go with the backing of the American people. Certainly we do not propose to let Mr. Khrushchev be successful in indicating who he thinks that President should be.

He may not like the present administration, and may not, as he has indicated very clearly, like the President or the Vice President personally. However, he will find, I anticipate, that whoever is the President, he will stand four-square for the things we believe in.

Mr. SCOTT. Exactly. My point is that whether the President is a Democrat or a Republican, Mr. Khrushchev has nothing to hope for in that direction, if he seeks to divide us or to smother the symbol of freedom and equality and courageous defense of those fundamental principles which our next President, whoever he may be, will surely exemplify.

Mr. KEATING. I am sure that is so. I appreciate the remarks of the distinguished Senator from Pennsylvania.

PROPOSED AMENDMENTS TO THE BUDGET, FISCAL YEAR 1961, DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE (S. DOC. NO. 97)

The ACTING PRESIDENT pro tempore laid before the Senate a communication from the President of the United States, transmitting proposed amendments to the budget for the fiscal year 1961, involving an increase in the amount of $20,138,000, for the Department of Health, Education, and Welfare, which, with an accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the ACTING PRESIDENT pro tempore:

A concurrent resolution of the Legislature of the State of New Jersey; to the Committee on Finance:

"CONCURRENT RESOLUTION MEMORIALIZING CONGRESS TO ENACT LEGISLATION PROVIDING HOSPITAL, SURGICAL, AND NURSING HOME BENEFITS TO OLD-AGE AND SURVIVORS INSURANCE RECIPIENTS

"Whereas 500,000 New Jersey men and women, having passed the age of 65, require more than 2½ times as much hospitalization as the general population; and

"Whereas more than half of the aged population have incomes of less than $1,000 per year; and

"Whereas access to the highest quality health care should be the right of the elderly under circumstances which promote self-respect and encourage independence; be it

"Resolved by the General Assembly of the State of New Jersey (the Senate concurring):

"1. The Congress of the United States is memorialized to enact amendments to the Social Security Act so that old-age and survivors insurance recipients will receive hospital, surgical, and nursing home benefits as a benefit right;

"2. An authenticated copy of this resolution be forwarded to the U.S. Senate and House of Representatives;

"3. Copies of this resolution be forwarded to the President of the United States and to the Members of Congress elected from New Jersey.

"MAURICE A. BRADY,
"Speaker of the General Assembly.

"Attest:

"MAURICE F. KARP,
"Clerk of the General Assembly.

"GEORGE HARPER,
"President of the Senate.

"Attest:

"HENRY A. PATTERSON,
"Secretary of the Senate."

CONCURRENT RESOLUTION OF THE SOUTH CAROLINA LEGISLATURE

Mr. JOHNSTON of South Carolina. Mr. President, on behalf of myself and my colleague, the junior Senator from South Carolina [Mr. THURMOND], I send to the desk a concurrent resolution of the General Assembly of South Carolina memorializing the Congress to request the U.S. Treasury Department to mint a sufficient number of half dollars commemorating Old Ninety Six Star Fort.

I ask that this concurrent resolution be printed at this point in the RECORD and appropriately referred.

There being no objection, the concurrent resolution was referred to the Committee on Banking and Currency, and, under the rule, ordered to be printed in the RECORD, as follows:

CONCURRENT RESOLUTION TO MEMORIALIZE CONGRESS TO REQUEST THE U.S. TREASURY DEPARTMENT TO MINT A SUFFICIENT NUMBER OF HALF DOLLARS COMMEMORATING OLD NINETY SIX STAR FORT

Whereas the general assembly is cognizant of the historical importance of Old Ninety Six as an Indian trading post on the Cherokee Path in the 17th century, the farthest English settlement from the coast, the site of a fort for the protection of settlers in the Cherokee war, and the seat of justice for huge Ninety Six District, comprising the later districts of Abbeville, Edgefield, Newberry, Laurens, Spartanburg, and Union; and

Whereas in the American Revolution, renown was added to Ninety Six as the scene of two outstanding military events, and the village was also a focal point of violent patriot-Tory strife which rent the up country with bitterness, destruction, and sorrow through the war years; and

Whereas the general assembly believes that historical sites in South Carolina should be preserved reverently as evidence of our way of life in the past, and should be passed on to posterity with a distinct feeling of pride in the great advancement and achievements of our State; and

Whereas the general assembly desires that an investigation be made with a view to restoring the town and Star Fort and such other historical ruins as may be practical to something of their former likenesses and preserving them as historical shrines by erecting suitable markers thereon and by providing for adequate protection to insure their preservation for the future; and

Whereas the general assembly believes that such investigation should include a conference with the present owners of the site with a view toward the acquisition and restoration of the fort; and

Whereas funds may be raised from the sale of a commemorative issue of half dollars, all of which issue would be purchased from the U.S. Government by the Greenwood County Historical Society as a means of financing such acquisition and restoration: Now, therefore, be it

Resolved by the house of representatives (the senate concurring), That Congress be memorialized to request the U.S. Treasury Department to have minted a sufficient number of half dollars commemorating Old Ninety Six Star Fort and that the special issue be sold to the Greenwood County Historical Society to be used for the purpose of acquisition and restoration of Old Ninety Six Star Fort; and be it further

Resolved, That a copy of this resolution be forwarded to the clerk of the U.S. Senate, the Clerk of the U.S. House of Representatives, and to each member of the South Carolina congressional delegation.

RESOLUTION OF RESOLUTIONS COMMITTEE OF CITY COURT OF BUFFALO, N.Y.

Mr. JAVITS. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution adopted by the resolutions committee of the city court of the city of Buffalo, N.Y.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION ADOPTED BY THE RESOLUTIONS COMMITTEE OF THE CITY COURT OF BUFFALO, BUFFALO, N.Y.

At the annual observance commemorating the adoption of the Polish Constitution of the 3d of May, held at Dom Polski Hall, 1081 Broadway, in the city of Buffalo, N.Y., on May 8, 1960, the following resolution was unanimously adopted:

"Whereas the year 1960 marks the 169th anniversary of the adoption of the Polish Constitution of May 3, 1791, which documented for all time the respect of the Polish people for the dignity of the individual and their lofty aspirations for freedom; and

"Whereas today the desire of all people, regardless of color or national origin, the world over, is to breath the air of freedom and to possess the right to decide for themselves a government of their liking which shall conduct their internal affairs; and

"Whereas a summit meeting is scheduled between our President Dwight D. Eisenhower and Premier Nikita Khrushchev, commencing May 16, 1960, and which will be attended by the leaders of the Western Powers; and

"Whereas we feel that a lack of a positive and affirmative position on the part of our American State Department and support for the retention of Poland's western boundaries at the Oder and Niese Rivers places the people of Poland in the position of reliance upon the Soviet bloc as the sole guarantor of its western boundaries: Now, therefore, be it

"Resolved, That as Americans dedicated to the cause of freedom for all nations, we feel dutybound in the name of international justice and morality to appeal to our State Department to be firm in the forthcoming summit meeting of world powers in order to preserve world peace; and be it further

"Resolved, That we appeal to the State Department for a declaration that the U.S. Government is in favor of retention of Poland's boundaries at the Oder and Niese Rivers; and be it further

"Resolved, That we commend our great President Dwight D. Eisenhower on his actions, personally undertaken by him, to resolve many of the crises that have arisen on the international forum, for his dedication to the cause of a just world peace, for his efforts to create good will for the United States throughout the world; and be it further

"Resolved, That we Americans who are of Polish ancestry, assembled at this observance, pledge our allegiance and our loyalty to our great and beloved country, and that we voice these appeals in regard to the land of our forefathers, Poland, as good Americans, reflecting the opinion of our fellow Americans who believe in the dignity of man; that Poland, historically our ally at all times of our country's need, should be afforded better treatment in view of the great sacrifice made by her people; and be it finally

"Resolved, That copies of this resolution be sent to our President Dwight D. Eisenhower, Secretary of State Christian A. Herter, our New York State Senators, Hon. Jacob Javits and Hon. Kenneth Keating, and our Representative in Congress, Hon. Thaddeus Dulski."

MICHAEL E. ZIMMER.
JOHN F. WOWOH.
WALTER J. LOHR.
ROSE BIEDRON.
DR. BOLLDAN F. POWLOWICZ.

RESOLUTION OF THE BOARD OF EDUCATION, YONKERS, N.Y.

Mr. KEATING. Mr. President, I want to call attention this morning to a resolution of the board of education of Yonkers, N.Y., concerning the excise tax on general telephone service. The resolution provides for the levying of this tax at the State level for educational purposes.

Mr. President, I ask unanimous consent that this resolution be printed in the RECORD, and appropriately referred.

There being no objection, the resolution was referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

Whereas on April 8, 1960, Governor Rockefeller signed into law chapter 418 of the Laws of 1960; and

Whereas this chapter authorizes the imposition of a tax for school purposes on general telephone services on a countywide basis; and

Whereas additional funds are urgently needed by the board of education of the city of Yonkers to provide more adequately for the educational program in the public schools, and

Whereas the city of Yonkers is presently within $10,326.14 of its constitutional tax limit of 2 percent, and is thereby restricted in providing additional funds for the educational program, and

Whereas the board of education of the city of Yonkers, in order to serve more adequately the educational needs of the more than 25,300 pupils enrolled in the Yonkers public schools, wishes to utilize the revenues from this source beginning September 1, 1960, in the event that the Federal Government does not reimpose this tax: Now, therefore, be it

Resolved, That the board of education of the city of Yonkers, pursuant to chapter 418 of the Laws of 1960, hereby requests the imposition of a local tax for school purposes on general telephone services as specified in article 24 of the tax law, a public hearing having been held on the imposition of said tax on the 5th day of May 1960; and be it further

Resolved, That the said board of education hereby requests that the said tax become effective during the calendar year 1960; and be it further

Resolved, That certified copies of this resolution be filed with the commissioner of education of the State of New York, the mayor, the city manager, the members of the common council, the comptroller and city clerk of the city of Yonkers, the county clerk of Westchester County, the Honorable KENNETH B. KEATING, the Honorable JACOB K. JAVITS, and the Honorable ROBERT R. BARRY.

Resolution sponsored by:

ANITA F. WOLFE,
Member, Board of Education.

Recommended by:

STANLEY S. WYNSTRA,
Superintendent of Schools.

RESOLUTION OF DISTRICT 500, ROTARY INTERNATIONAL

Mr. LONG of Hawaii. Mr. President, district 500 of the Rotary International has forwarded to me a resolution adopted unanimously by the Rotary District 500 Conference in support of the establishment of an International Center at the University of Hawaii. Richard E. Mawson, district governor, requested that I bring the resolution to the attention of the Members of the Senate. I therefore ask unanimous consent that the resolution be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION ADOPTED BY THE ROTARY DISTRICT 500 CONFERENCE TO SUPPORT THE ESTABLISHMENT OF AN INTERNATIONAL CENTER AT THE UNIVERSITY OF HAWAII

Whereas Hawaii has had a long history of interracial harmony, cooperation, and friendship among those who live here; and

Whereas Hawaii possesses outstanding resources to bridge the gap between the East and the West; and

Whereas thousands of foreign visitors from all over the world who have been in Hawaii have already been highly impressed by Hawaii, its governmental services, its technological know-how, its cultures, heritage, and its spirit of aloha: Now, therefore, be it

Resolved, That district 500, Rotary International, through its conference, assembled on the Island of Maui, April 22–23, 1960, go on record as favoring the establishment of an International Center at the University of Hawaii for the interchange of cultural and technical ideas between the East and the West; and be it further

Resolved, That a copy of this resolution be sent to each member of the U.S. congressional sponsors of the bill for the establishment of such a center, to the U.S. Secretary of State, to the Governor of the State of Hawaii, and to the president of the University of Hawaii; and be it further

Resolved, That the district governor of Rotary district 500, Rotary International, be empowered to give this resolution and the accompanying conference action the widest possible publicity.

K. C. LEEBRICK,
Resolutions Committee Chairman.
E. MARION SEXTON,
Conference Secretary.

REPORTS OF A COMMITTEE

The following reports of a committee were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

S. 1454. A bill for the relief of Keitha L. Baker (Rept. No. 1375);

S. 2113. A bill for the relief of George K. Caldwell (Rept. No. 1376);

H.R. 1600. An act for the relief of Francis M. Haischer (Rept. No. 1377);

H.R. 3107. An act for the relief of Richard L. Nuth (Rept. No. 1378);

H.R. 7036. An act for the relief of William J. Barbiero (Rept. No. 1379);

H.R. 8217. An act for the relief of Orville J. Henke (Rept. No. 1380);

H.R. 8806. An act for the relief of the Philadelphia General Hospital (Rept. No. 1381);

H.R. 9470. An act for the relief of E. W. Cornett, Sr., and E. W. Cornett, Jr. (Rept. No. 1382);

H.R. 9752. An act for the relief of K. J. McIver (Rept. No. 1383); and

H.R. 10947. An act for the relief of Aladar Szoboszlay (Rept. No. 1384).

By Mr. EASTLAND, from the Committee on the Judiciary, with an amendment:

S. 817. A bill for the relief of Freda Feller (Rept. No. 1386); and

H.R. 6081. An act for the relief of M. Sgt. Emery C. Jones (Rept. No. 1385).

PROTECTION OF CERTAIN COMMUNICATIONS FACILITIES

Mr. EASTLAND, from the Committee on the Judiciary, reported an original bill (S. 3560) to amend section 1362 of title 18 of the United States Code so as to further protect the internal security of the United States by providing penalties for malicious damage to certain communications facilities, and submitted a report (No. 1387) thereon; which bill was read twice by its title and placed on the calendar.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. LONG of Hawaii:

S. 3558. A bill to authorize and direct the transfer of certain Federal property to the Government of American Samoa; to the Committee on Armed Services.

(See the remarks of Mr. LONG of Hawaii when he introduced the above bill, which appear under a separate heading.)

By Mr. JOHNSTON of South Carolina:

S. 3559. A bill to amend section 201 of the act of September 21, 1959 (73 Stat. 610), to provide for the nutritional enrichment of rice distributed under certain programs; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. JOHNSTON of South Carolina when he introduced the above bill, which appear under a separate heading.)

By Mr. EASTLAND:

S. 3560. A bill to amend section 1362 of title 18 of the United States Code so as to further protect the internal security of the United States by providing penalties for malicious damage to certain communications facilities; placed on the calendar.

(See reference to above bill when reported by Mr. EASTLAND, which appears under the heading "Reports of Committees.")

By Mr. JACKSON (for himself and Mr. MAGNUSON):

S.J. Res. 193. Joint resolution to authorize the construction of a hotel and related facilities in Mount Rainier National Park; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. JACKSON when he introduced the above joint resolution, which appear under a separate heading.)

By Mr. MAGNUSON (by request):

S.J. Res. 194. Joint resolution to authorize the use of surplus grain by the States for emergency use in the feeding of resident game birds and other wildlife, and for other purposes; to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. MAGNUSON when he introduced the above joint resolution, which appear under a separate heading.)

TRANSFER OF CERTAIN PROPERTY TO GOVERNMENT OF AMERICAN SAMOA

Mr. LONG of Hawaii. Mr. President, I introduce, for appropriate reference, a bill to authorize and direct the transfer of certain Federal property to the Government of American Samoa. The purpose of the bill is to transfer to Samoa land, buildings, and equipment held by the U.S. Navy in Samoa prior to 1951, when the Navy's responsibility for the administration of Samoa ended. Since that time this property has actually been used by the Government of American Samoa.

The property involved consists of some 215 acres of land, plus the buildings and docks on the land. This proposed legislation is required to transfer title, since existing law does not permit such transfer without reimbursement.

Since the property has not been used or needed by the United States for 9 years, and since it is essential to the conduct of the Government of American Samoa, I urge passage of the bill. Such action is recommended by the Department of the Interior and not objected to by the Bureau of the Budget.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3558) to authorize and direct the transfer of certain Federal property to the Government of American Samoa, introduced by Mr. LONG, of Hawaii, was received, read twice by its title, and referred to the Committee on Armed Services.

NUTRITIONAL ENRICHMENT OF CERTAIN RICE

Mr. JOHNSTON of South Carolina. Mr. President, last year the Congress enacted legislation providing for the enrichment of cornmeal, corn grits, and flour so as to meet the regulations promulgated under the Federal Food, Drug, and Cosmetic Act. These food commodities, which are distributed to school lunch cafeterias over the entire Nation, have contributed much to the welfare and well-being of the Nation's schoolchildren. Before last year these foods were not enriched before they were sent to the schools. The legislation last year has very capably caused these foods to meet minimum standards before they reached the children. However, rice, one of the very basic food commodities in practically every State, was not included.

Practically every State has laws requiring the enrichment of rice but the Federal Government has, since the inception of the School Lunch Act, distributed unenriched rice to the schoolchildren.

I introduce, for appropriate reference, proposed legislation which would provide for the nutritional enrichment of rice distributed by the Federal Government. The cost will be very small compared to the value received. I hope the Senate will see fit to pass this proposal at an early date.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3559) to amend section 201 of the act of September 21, 1959 (73 Stat. 610), to provide for the nutritional enrichment of rice distributed under certain programs, introduced by Mr. JOHNSTON of South Carolina, was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

CONSTRUCTION OF FACILITIES IN MOUNT RAINIER NATIONAL PARK

Mr. JACKSON. Mr. President, on behalf of myself and my distinguished senior colleague from the State of Washington [Mr. MAGNUSON], I introduce, for appropriate reference, a joint resolution to authorize the construction of a hotel and related facilities in Mount Rainier National Park jointly by the Federal Government, the State of Washington, and philanthropic interests.

At the outset, I wish to point out that there have been overnight accommodations inside Mount Rainier National Park since 1884. But present facilities are in an advanced state of deterioration and will be abandoned soon.

The National Park Service, in its mission 66 program, has determined that all future overnight accommodations be located at the lower elevations of the park, just inside or just outside the park boundaries.

The Senators from Washington and hundreds of organizations and individuals who testified before the Senate Interior and Insular Affairs Committee on this question feel that to abandon overnight facilities in the heart of the park is detrimental to the park, to the region, and to hundreds of thousands of Americans who have come from all parts of the United States to vacation there.

At the request of the Senators from Washington, the National Park Service and Jackson Hole Preserve, Inc., the Rockefeller family's philanthropical organization which has made substantial investments in our Nation's national parks, undertook studies of replacement facilities.

The Park Service study concluded only that an overnight facility in the heart of the park could not be operated at a break-even point at reasonable rates if interest and depreciation on the initial investment are taken into consideration.

The Jackson Hole Preserve, Inc., study substantiated this finding but—very importantly—reached these additional conclusions:

First. Existing accommodations inside and outside the park are inadequate to tourist needs.

Second. If new and more adequate hotel accommodations are provided, tour agencies could book many more people into the park.

Third. The fullest enjoyment of this scenic area can best be accomplished by providing a variety of use facilities, including a hotel with comfortable, first-class accommodations.

Fourth. The most spectacular displays of beauty within the park occur during the early morning and late evening hours, and can be enjoyed only by those who stay overnight in the park.

Fifth. The most desirable site for such a hotel is in the Paradise area, where existing deteriorating facilities are about to be abandoned.

Sixth. The lower level accommodations suggested in the mission 66 report would have little appeal to the visitor.

Seventh. An adequate hotel and related facilities could be constructed at a cost of $6,878,000.

Eighth. Such a hotel could produce an operating profit, at reasonable rates, sufficient to maintain the property, provide for necessary replacements of furniture, furnishings, and equipment, but would produce little or nothing to meet repayment of the investment in fixed assets or interest thereon.

Mr. President, our joint resolution provides for a cooperative venture in Mount Rainier National Park. It specifies that the Federal share of the hotel and related facilities shall not exceed 50 percent. The balance is to come from the State of Washington and from philanthropical funds which may be committed to this worthwhile purpose.

Already the Governor of the State of Washington, the Honorable Albert D. Rosellini, has indicated his desire to participate in such a joint venture. The attorney general of the State of Washington, the Honorable John O'Connell, has rendered a legal opinion stating that the State legislature may authorize and appropriate funds for such a purpose.

Ownership of the facility, of course, would be vested in the United States, and operation would be in accordance with well-established National Park Service policies and regulations.

This is admittedly a new approach to fuller development of our national parks for the benefit of all our people. We urge its adoption for two purposes: first, to get on with a necessary job; and, second, to serve as a model which may have application elsewhere in our Nation in the future.

Mr. President, I ask unanimous consent that the full text of this joint resolution be printed in the RECORD.

The ACTING PRESIDENT pro tempore. The joint resolution will be received and appropriately referred; and, without objection, the joint resolution will be printed in the RECORD.

The joint resolution (S.J. Res. 193) to authorize the construction of a hotel and related facilities in Mount Rainier National Park, introduced by Mr. JACKSON (for himself and Mr. MAGNUSON), was received, read twice by its title, referred to the Committee on Interior and Insular Affairs, and ordered to be printed in the RECORD, as follows:

Whereas the national parks have been established to provide for the enjoyment and inspiration of the American people; and

Whereas Mount Rainier National Park is one of our Nation's most scenic attractions, visited by more than one million persons annually; and

Whereas there have been overnight accommodations inside the park since 1884; and

Whereas existing overnight accommodations inside the park are in an advanced state of deterioration and due soon to be abandoned; and

Whereas the National Park Service has determined that replacement facilities in Mount Rainier National Park cannot be operated on a profitable basis if interest and depreciation on the initial investment are taken into consideration; and

Whereas the National Park Service, in its Mission 66 plan, envisages moving all overnight accommodations to lower elevations outside the park or just inside the park boundaries; and

Whereas the Senate Interior and Insular Affairs Committee has conducted hearings both in Washington, D.C., and in Washington State which establish the desire of a genuine cross section of individuals and groups for continued overnight accommodations inside the park; and

Whereas an independent study of the problem has been made by Jackson Hole Preserve, Inc., which has issued a Report on Survey of Need for and Economic Feasibility of Hotel Facilities in Mount Rainier National Park; and

Whereas said report finds existing accommodations inside and adjacent to the park inadequate to tourist needs; and

Whereas said report finds that the fullest enjoyment of this scenic area by the public can best be accomplished by providing a variety of use facilities, one of which should be a hotel with comfortable, first-class accommodations; and

Whereas said report finds that the most spectacular displays of beauty within Mount Rainier National Park occur during the early morning and late evening hours and can be enjoyed only by those who stay overnight in the park; and

Whereas said report finds that if new and more adequate hotel accommodations than now exist were provided in the park, tour agencies could readily book many more people in the park; and

Whereas said report finds the most desirable site for such hotel to be in the Paradise area, and that the lower level locations suggested for overnight accommodations in the Mission 66 report would have little appeal to the visitor; and

Whereas said report finds there is genuine need for hotel accommodations and recommends a sizable hotel of from 250 to 300 rooms with related facilities, integrated with day-use facilities at the same general location, with all operations controlled by one concessionnaire; and

Whereas such hotel would cost an estimated $6,878,000; and

Whereas such hotel could operate most successfully, economically, during a season of 90 days in the summer, with potential for future winter operation; and

Whereas said report concludes that the operation of a 250-room hotel in the Paradise Valley area will produce an operating profit sufficient adequately to maintain the property, provide for necessary replacements of furniture, furnishings and equipment, but will produce virtually nothing to meet repayment of the investment in fixed assets or interest thereon; and

Whereas no private or public body has indicated a willingness to undertake the necessary capital investment unilaterally but various elected officials of the State of Washington, including the Governor have indicated a willingness to consider such State's participation in a joint undertaking; and

Whereas it is evident that the much-needed facilities will not be built inside the park unless the necessary capital is provided by a source or sources which do not require repayment of the capital investment; and

Whereas it is possible that the necessary capital investment could be acquired in part each from a number of sources, public and private: Therefore be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That, subject to the provisions of section 2 of this joint resolution, the Secretary of the Interior is authorized to construct, in the Paradise area of Mount Rainier National Park, a hotel and other related facilities for the care and accommodation of visitors to the park.

SEC. 2. (a) The cost of constructing the building and related facilities authorized by the first section of this joint resolution shall be paid for one-half by the United States and one-half by donated funds. The Secretary of the Interior may take action with respect to the construction authorized by the first section of this joint resolution when commitments satisfactory to him have been made to assure that donated funds are available for purposes of paying one-half of the cost of such construction.

(b) Any hotel and related facilities constructed pursuant to the first section of this joint resolution shall be constructed substantially in accordance with the standards set forth in the report made by the Jackson Hole Preserve, Incorporated, referred to as the Report on Survey of Need for and Economic Feasibility of Hotel Facilities in Mount Rainier National Park. All right, title and interest in any such hotel and facilities shall be vested exclusively in the United States.

SEC. 3. The National Park Service, under the direction of the Secretary of the Interior, is authorized (1) to enter into a contract, consistent with the laws relating to the National Park Service and the established practices and regulations of such Service, with one or more concessionaires to operate any hotel and related facilities constructed pursuant to this joint resolution in accordance with such terms and conditions as may be prescribed by the National Park Service; and (2) to accept donations or commitments from public or private sources and to expend such donations for the purposes of this joint resolution.

SEC. 4. Any hotel and other related facilities constructed pursuant to this joint resolution shall be administered by the National Park Service, under the direction of the Secretary of the Interior, in accordance with the provisions of this joint resolution and the Act entitled "An Act to establish a National Park Service, and for other purposes", approved August 25, 1916 (39 Stat. 535).

SEC. 5. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this joint resolution.

Mr. MAGNUSON. Mr. President, I wish to associate myself with the remarks of my distinguished colleague from the State of Washington [Mr. JACKSON] concerning our joint resolution to authorize the construction of a hotel and related facilities in Mount Rainier National Park.

Mr. President, more than 1 million tourists a year are now visiting Mount Rainier National Park. This is considerably in excess of the projected estimates of visitors under the mission 66 program. These visitors deserve an opportunity to enjoy the park to the fullest, from the best vantage point, and with the minimum of inconvenience. Only a hotel facility in the heart of the park will make this possible.

My colleague has explained how the Jackson Hole Preserve, Inc., study shows that Mount Rainier can be enjoyed fully only during the early morning and the late evening hours, and because of distances can be so enjoyed only by those who stay overnight inside the park.

This fact has been recognized since 1884 when the first overnight facilities went into the park. I am convinced, and my conviction is supported by substantial testimony before the Interior and Insular Affairs Committee, that we must continue to provide overnight lodging in the heart of the park if its function is to be fully and properly executed.

We accept the findings of both the Park Service and the Jackson Hole studies that such accommodations cannot be operated at reasonable rates except at a loss, if interest and depreciation on the initial investment are taken into consideration. What we are attempting to do is to capitalize on the avowed interest of the State of Washington, expressed by the Honorable Albert D. Rosellini, in financial cooperation which will ease the impact on the Federal Government of providing a necessary public service. Our resolution also opens the door for contributions, for philanthropic individuals or organizations to participate, also.

Mr. President, I consider this a sound approach to a difficult problem. I urge its acceptance by the Congress, for I believe that thousands upon thousands of Americans in every State in the Union will reap the benefits of this proposed legislation for years and years ahead.

STATE USE OF SURPLUS GRAIN FOR EMERGENCY FEEDING OF RESIDENT GAME BIRDS AND OTHER WILDLIFE

Mr. MAGNUSON. Mr. President, by request of the Secretary of the Interior, I introduce, for appropriate reference, a joint resolution to authorize the use of surplus grain by the States for emergency use in the feeding of resident game birds and other wildlife, and for other purposes. I ask unanimous consent that the letter from the Secretary of the Interior, requesting the proposed legislation, be printed in the RECORD.

The ACTING PRESIDENT pro tempore. The joint resolution will be received and appropriately referred; and, without objection, the letter will be printed in the RECORD.

The joint resolution (S.J. Res. 194) to authorize the use of surplus grain by the States for emergency use in the feeding of resident game birds and other wildlife, and for other purposes, introduced by Mr. MAGNUSON, by request, was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

The letter presented by Mr. MAGNUSON is as follows:

U.S. DEPARTMENT OF THE INTERIOR,
Washington, D.C., May 12, 1960.

HON. RICHARD M. NIXON,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: Enclosed herewith is a draft of a proposed joint resolution to authorize the use of surplus grain by the States for emergency use in the feeding of resident game birds and other wildlife, and for other purposes.

We recommend that this proposal be referred to the appropriate committee for consideration, and that it be enacted.

This proposed legislation is designed to provide a means whereby the States would be enabled to use surplus grain to provide feed to wildlife that is threatened by starvation. By the terms of this proposal, upon a finding by the Secretary of the Interior that any area of the United States is threatened with serious damage or loss to wildlife from starvation, the particular State involved would be authorized to request from the Commodity Credit Corporation grain acquired by that Corporation through price support operations. The State would be required to pay the cost of transportation and packaging of the grain.

We have become increasingly aware in recent years of the interest of certain State fish and game agencies and other local

organizations in providing a method whereby surplus grain could be used to feed resident game birds and other wildlife that at certain times of the year may be in danger of starvation as a result of adverse weather conditions. These State agencies are particularly concerned with the welfare of resident game in time of emergencies, such as severe ice and snow conditions, or drought. They wish to provide supplemental food when natural food is considered to be in short supply. This proposal contains a safeguard which would require the Secretary of the Interior to determine that conditions exist which would warrant this kind of emergency feeding. While our experience has been that there are relatively few emergency situations where local or regional game populations are in jeopardy of starvation, we believe that standby authority of this kind may prove valuable in certain circumstances. We believe the mechanics of any grain feeding program of this kind, once a decision has been reached that such a program is called for, should be one for the particular State fish and game department to work out with the assistance of the Commodity Credit Corporation along procedural lines indicated in this proposal.

While no precise estimate can be given concerning the value of the grain that may be required to carry out the purposes of this proposal, we believe it is unlikely that the value of the grain that may be required for an average year would exceed $100,000.

We have been advised by the Bureau of the Budget that there is no objection to the submission of this proposed legislation to the Congress.

Sincerely yours,

FRED A. SEATON,
Secretary of the Interior.

AMENDMENT OF COMMUNICATIONS ACT OF 1934, RELATING TO COMMUNITY ANTENNA SYSTEMS—AMENDMENT

Mr. ALLOTT submitted an amendment, intended to be proposed by him, to the bill (S. 2653) to amend the Communications Act of 1934 to establish jurisdiction in the Federal Communications Commission over community antenna systems, which was ordered to lie on the table and to be printed.

AMENDMENT OF INDIAN LONG-TERM LEASING ACT—ADDITIONAL COSPONSOR OF BILL

Mr. ANDERSON. Mr. President, on March 14, 1960, I introduced for myself and the Senator from Arizona [Mr. GOLDWATER] Senate bill 3198, to amend the Indian Long-Term Leasing Act. The distinguished senior Senator from Nevada [Mr. BIBLE] wishes to be associated with the proposed legislation.

I am delighted to have the Senator join with us on this bill and, therefore, I ask unanimous consent that when S. 3198 is next printed the name of the senior Senator from Nevada may be included as a cosponsor of it.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

HEARINGS ON CERTAIN NOMINATIONS BEFORE COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, I desire to announce that public hearings have been scheduled on the following nominations, for 10:30 a.m., Tuesday, May 24, 1960, in room 2228, New Senate Office Building:

Oren R. Lewis, of Virginia, to be U.S. district judge, eastern district of Virginia, vice Sterling Hutcheson, retired; and

Roy L. Stephenson, of Iowa, to be U.S. district judge, southern district of Iowa, vice Edwin R. Hicklin, retired.

At the indicated time and place all persons interested in these nominations may make such representations as are pertinent. The subcommittee consists of the Senator from South Carolina [Mr. JOHNSTON], the Senator from Nebraska [Mr. HRUSKA], and myself, as chairman.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. JAVITS:

Letter addressed to Mr. Robert Lovett, New York, N.Y., written by Senator MUNDT, and reply thereto, relating to testimony of Mr. Lovett, before the Subcommittee on National Policy Machinery of the U.S. Senate; and article entitled "How To Make a Shoe Fit Any Foot," written by Arthur Krock, published in the New York Times of April 14, 1960.

THE TRAGEDY AT PARIS—INTERPRETATIONS BY WALTER LIPPMANN

Mr. CHURCH. Mr. President, Walter Lippmann thinks. Thin are the ranks of those who do. But Walter Lippmann has other strengths besides—a rare combination of courage which gives him a fierce independence, and integrity which impels him to state the facts as he sees them, regardless of how unpleasant, unpopular, or unpolitic they may be. These attributes have made him the giant of American journalism.

Walter Lippmann's interpretations of the reasons for the tragedy at Paris are, characteristically, quite different from the commonplace excuses now being widely circulated in the press. But when historians search for the hard truth concerning the debacle at the summit meeting in Paris, they are more likely to find it in two articles he has written during the past week, than in all the rest of the explanations offered from all other sources.

I ask unanimous consent that these two articles, published in the Washington Post on May 12, 1960, and May 17, 1960, may be printed in proper sequence at this point in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Post, May 12, 1960]

THE SPY BUSINESS

(By Walter Lippmann)

In the whirl of incidents following the capture of the spy plane the administration has ventured, perhaps the right word for it would be stumbled, into an untenable policy which is entirely unprecedented in international affairs. Our position now seems to be that because it is so difficult to collect information inside the Soviet Union, it will henceforth be our avowed policy to fly over Soviet territory, using the territory of our allies as bases.

Although the intention here is to be candid and honest and also to make the best of a piece of very bad luck, the new policy—which seems to have been improvised between Saturday and Monday—is quite unworkable.

To avow that we intend to violate Soviet sovereignty is to put everybody on the spot. It makes it impossible for the Soviet Government to play down this particular incident because now it is challenged openly in the face of the whole world. It is compelled to react because no nation can remain passive when it is the avowed policy of another nation to intrude upon its territory. The avowal of such a policy is an open invitation to the Soviet Government to take the case to the United Nations, where our best friends will be grievously embarrassed. The avowal is also a challenge to the Soviet Union to put pressure on Pakistan, Turkey, Norway, Japan, and any other country which has usable bases. Our allies are put on the spot because they must either violate international law or disavow the United States.

Because the challenge has been made openly, it is almost impossible to deal with this particular incident by quiet diplomacy.

The reader will, I hope, have noticed that my criticism is that we have made these overflights in avowed policy. What is unprecedented about the avowal is not the spying as such but the claim that spying, when we do it, should be accepted by the world as righteous. This is an amateurish and naive view of the nature of spying.

Spying between nations is, of course, the universal practice. Everybody does it as best he can. But it is illegal in all countries, and the spy if caught is subject to the severest punishment. When the spying involves intrusion across frontiers by military aircraft, it is also against international law. Because spying is illegal, its methods are often immoral and criminal. Its methods include bribery, blackmail, perjury, forgery, murder, and suicide.

The spy business cannot be conducted without illegal, immoral, and criminal activities. But all great powers are engaged in the spy business, and as long as the world is as warlike as it has been in all recorded history there is no way of doing without spying.

All the powers know this and all have accepted the situation as one of the hard facts of life. Around this situation there has developed over many generations a code of behavior. The spying is never avowed and therefore the Government never acknowledges responsibility for its own clandestine activities. If its agent is caught, the agent is expected to kill himself. In any event, he is abandoned to the mercies of the government that he has spied upon.

The spying is never admitted. If it can be covered successfully by a lie, the lie is told.

All this is not a pretty business, and there is no way of prettifying it or transforming it into something highly moral and wonderful. The cardinal rule, which makes spying tolerable in international relations, is that it is never avowed. For that reason it is never defended, and therefore the aggrieved country makes only as much of a fuss about a particular incident as it can make or as it chooses to make.

We should have abided by that rule. When Mr. K. made his first announcement about the plane, no lies should have been told. The administration should have said that it was investigating the charge and would then take suitable action. We should then have maintained a cool silence.

This would have left us, of course, with the unpleasant fact that our spy plane had been caught. What really compounded our trouble, and was such a humiliation to us, is that before we knew how much Mr. K. knew we published the official lie about its being a weather plane. Then, finding ourselves trapped in this blatant and gratuitous lie, we have tried to extricate ourselves by rushing into the declaration of a new and unprecedented policy.

[From the Washington Post, May 17, 1960]

THE U–2 IN PARIS

(By Walter Lippmann)

As of Monday afternoon, eastern time, there is only the faintest chance that the summit meeting will not break up. It is certain that the President will not go to Russia, the invitation having been withdrawn. Thus, the attempt to arrive at a truce in the cold war, and to relax the tensions has, unless there is a diplomatic miracle, ended in a tragic fiasco.

The issue on which the conference has been disrupted is the flight of the U–2, or more precisely the position taken by the President and his administration. We must remember that when the plane was captured, Mr. Khrushchev opened the door to the President for a diplomatic exit from his quandary: He did not believe, said Mr. K., that Mr. Eisenhower was responsible for ordering the flight.

Undoubtedly Mr. K. knew that Mr. Eisenhower must have authorized the general plan of the flights but he preferred to let the President say what in fact was a sorry kind of truth, that he did not authorize this particular flight. The diplomatic answer would have been to say nothing at the time or at the most to promise an adequate investigation of the whole affair. Instead, Mr. Eisenhower replied that he was responsible, that such flights were necessary, and then he let the world think even if he did not say so in exact words that the flights would continue. This locked the door which Mr. Khrushchev had opened. It transformed the embarrassment of being caught in a spying operation into a direct challenge to the sovereignty of the Soviet Union.

This avowal, this refusal to use the convention of diplomacy was a fatal mistake. For it made it impossible for Mr. Khrushchev to bypass the affair. Had he done that, he would have been in a position of acknowledging to the world, to the Soviet people, to his critics within the Soviet Union, and to his Communist allies, that he had surrendered to the United States the right to violate Soviet territory. No statesman can live in any country after making such an admission.

The news from Paris on Monday shows that Mr. Eisenhower had already realized that his making an avowed policy of the flights was a crucial mistake which had to be corrected. On Saturday there was, it appears, a briefing of the correspondents to tell them that we had never meant to say that the flights would continue. On Sunday in a broadcast in this country Mr. George V. Allen said the same thing. And on Monday the President told Mr. Khrushchev that the flights over Russia have been suspended "and are not to be resumed." A week ago this might have sufficed to quiet down the affair.

The withdrawal was, however, late, and it may prove to have been too little. For during the past week the flight and the way it was handled have given the Soviet Government a rich opportunity to weaken the ring of America's allies around Russia. Those who say that Mr. K. has seized upon the opportunity solely in order to make propaganda have not, I think, realized the gravity of the disaster which has befallen us. For the Soviet Union there is in this much more than propaganda. There is an instrument for disturbing if not disrupting the encircling alliance.

It would be wishful thinking to suppose that the Soviet Government will not seize this opportunity to push countries like Norway, Iran, Pakistan, Turkey, and Japan into pledges and into measures which in some considerable degree neutralize them as American airbases. Morally and legally these allies of ours are defenseless against these Soviet demands.

The Soviet Government is at least as interested in neutralizing our allies around her borders as she is in neutralizing West Berlin. We dare not hope that the Soviet Government will not make the most of the opportunity which has so unexpectedly and so unnecessarily been opened up to her.

Before the affair of the plane there had been, as Mr. Reston wrote on Monday from Paris, a strong indication that Mr. Khrushchev was very uneasy about the prospects of the summit meeting. I myself was one of those who talked to his personal emissary, Mr. Zhukov, when he came to Washington in April. The burden of Mr. Zhukov's complaint was that about March 15 American policy had suddenly hardened against a negotiation about the status of West Berlin, and that this was a reversal of the understanding given to Mr. K. by the President at Camp David.

Almost certainly, therefore, the affair of the plane offered Mr. K. an opportunity to make a diplomatic gain against the small encircling allies from Norway to Japan. If he was stymied in Berlin, he had the chance to recoup elsewhere. We have not heard the last of the troubles of the encircling allies.

There is not much comfort for us in this. For our own blunders provided Mr. K. with his opportunity.

At this writing it is still conceivable that a way will be found to carry on in Paris. Let us hope so.

ALA LOTO ALOFA—THE ROAD OF THE LOVING HEART

Mr. BYRD of West Virginia. Mr. President, in Samoa, one of the far-off south sea islands, any native or traveler may read on a tablet on a mountainside this inscription:

Remembering the great love
Of His Highness Tusitala
And his great love
When we were in prison
And sore distressed,
We have prepared him an enduring present—
This road, which we have dug forever.

Tusitala in the Samoan tongue means "teller of tales."

Years ago a man came from Scotland, weary, sick, and distressed, hoping that in the south sea islands he might find health or a quiet place to die. On the island of Samoa he bought 400 acres on a mountain to which he gave the name of Vailima, meaning "five rivers." There he built a house, where his mother came from old Scotland to live with him and his wife, and where he welcomed the natives in most friendly hospitality. The natives also came in great numbers to him for counsel, and he became their hero and friend.

One time he heard of chiefs who had been imprisoned unjustly, and visited them, bringing them comfort and cheer. As he was good and kind to all, the natives wished to thank him. They built for him a road from the harbor up to his home on the side of Mount Vaea, laboring for long days in the torrid heat of that land. When at last it was finished they presented it to him. He called it Ala Loto Alofa, or "the road of the loving heart."

Not long after, Tusitala, the "teller of tales," their white chief, died.

At his funeral one chief said, "The day is no longer than his kindness." Then the chiefs carried him to the top of the hill that he had loved so well, and kneeling down with bared heads and uplifted faces they softly said, "We place him here that he may be forever in the sunlight."

Who was this man for whom "the road of the loving heart" was made? He was Robert Louis Stevenson. His verses, gathered together in his "Child's Garden of Verses," are loved by all. Upon the monument at the end of "the road of the loving heart" are carved in English these words, which he composed a dozen years before his death, December 3, 1894:

Under the wide and starry sky,
Dig the grave and let me lie;
Glad did I live and gladly die,
And I laid me down with a will.
This be the verse you grave for me;
Here he lies where he longed to be;
Home is the sailor, home from the sea,
And the hunter home from the hill.

ELIMINATION OF POTOMAC RIVER POLLUTION

Mr. BUTLER. Mr. President, the attainment of some sound, workable program to clean up the pollution of the Potomac River is essential to the millions of people living in the broad expanse of the Potomac River Valley. Pollution abatement is of particular concern to those residing in the Washington Metropolitan area, as this is the section primarily responsible for the pollution of the river, as well as that which would be primarily benefited by an effective pollution abatement program.

In 1957, a group of private citizens representing widely divergent interests and backgrounds, but with one common interest, the development of the Potomac River Basin in a manner best suited to serve the needs of the people affected, as well as the Nation as a whole, established a coordinating committee on the Potomac River Valley. In the months and years subsequent to the establishment of this committee, a thorough study of the Potomac has been made and the committee is now in the process of publishing a report on its findings, together with appropriate recommendations. This report reflects the time and money which the private citizens' committee members have expended in an effort to further the interests of those living in the Potomac Valley. It is my hope that appropriate governmental officials, State and local, as well as Federal, will give immediate attention to the coordinating committee's report in our efforts to determine a sound, realistic program to save the Potomac River.

Mr. President, in connection with my remarks, I ask unanimous consent to have included in the RECORD an outline of the coordinating committee's report,

entitled "Potomac Prospect," which is to be made public in its entirety in the near future.

There being no objection, the outline of the report was ordered to be printed in the RECORD, as follows:

REVIEW OF "POTOMAC PROSPECT"

(A study and report with recommendations for action concerning water supply, water needs, pollution, flood moderation, recreational areas, and the preservation of the natural environment of the Potomac River waterways prepared by the Coordinating Committee on the Potomac River Valley)

The Potomac River rises in the Appalachian Mountains and flows for 383 miles in a northeasterly to easterly direction and then southeasterly to the Chesapeake Bay. Divided by nature into two distinct portions—a fast-flowing upper river, frequently narrow and rocky with precipitous tributaries, becomes a broad, sedate waterway as it meanders past Washington and gently laps the corn and tobacco fields of tidewater Virginia and Maryland—the Potomac River basin embraces over 14,500 square miles of land.

As American rivers go, the Potomac is relatively small. In comparison with western and midwestern rivers, it might be classed as merely a large tributary. But, considered in relation to the other rivers of the North Atlantic slope, it is second in size, exceeded only by the Susquehanna.

Throughout most of its length, the Potomac is open to the general public—the canoeist, the hiker, the angler, the hunter, the summer cottager, and the year-round homeowner. It is one of the few rivers not harnessed and hobbled to industrial use. It winds through pleasant valleys and hills steeped in the history of our country from the earliest days.

Capt. John Smith explored the tidal reaches of the Potomac up to Little Falls in 1608. Towering forests lined the banks, he reported. Perch, alewives, and black bass abounded in the crystal-clear depths. The fish about his boat were "lying so thicke with the heads above the water" that his men amused themselves by dipping them out.

Into the Potomac in 1634 sail the *Ark* and the *Dove*, bearing Leonard Calvert and his brother "with near 20 other gentlemen of very good fashion and 300 laboring men well provided in all things." Among the passengers was a Jesuit missionary, Father Andrew White, who called the Potomac "the sweetest and greatest river I have ever seene."

But 300 years have passed, and the Potomac has suffered at the hands of man—from siltation as erosion from farm and pasture swept away topsoil and subsoil, from industrial and mine wastes, from sewage of urban populations.

Today the Potomac, as it flows past Washington, is an open cesspool. In places the river bottom is covered with solid sewage 10 feet deep. As a District health officer recently described it: "It is sick unto death, for it carries, as it courses along, all the man-made filth that he is able to bestow * * * a sickly portrait of a noble river." Enough raw and partially treated sewage is dumped into the Potomac and its tributaries each year to fill 150 Pentagon buildings.

Visitors to Washington, the capital of the world, might reasonably expect to find a recreational mecca with fine bathing beaches, neat marinas, and wholesome fishing grounds. They find instead a natural sewage lagoon.

Visitors to European capitals, particularly in Scandinavia, are impressed by the contrast between the present condition of the Potomac and the dramatic development of other waterfront capitals, where the cleanliness of the water is a matter of national pride and the waterfront regarded as a showcase.

The Potomac could be Washington's greatest recreational asset, as valuable as Seattle's Lake Washington or Miami's gold coast. Instead it gets dirtier with each passing day. But though the river is sick, the illness is not hopeless. The causes of the malady are known. With the right approach, a great and sweet Potomac can be found again. The first and most essential measure is an end to pollution.

Piecemeal solutions have been tried in the past, but the solutions have never caught up with the growing problem. The asset of a clean stream would be shared by all. The problem of a dirty stream is shared by all. The solution must be shared by all.

The Coordinating Committee on the Potomac River Valley, composed of private citizens representing widely divergent interests and backgrounds, has just completed a 3-year study of the problem Potomac. Members of this civic-minded group, working without remuneration, interviewed 50 experts in related fields and logged thousands of man-hours in research and study before issuing their report, "Potomac Prospect."

Committee members share one common bond: Guiding the development of the Potomac River basin in a fashion best suited to serve the needs of those directly affected and the needs of our Nation as a whole.

The committee's plan is essentially a "clean river plan." It is based on the premise that the Potomac, the Patuxent, and all their tributaries, into the most remote headwaters, must be made clean and kept clean. The plan would achieve five objectives:

1. The gradual elimination of all pollution—and at no additional net cost per capita for sewage treatment than present costs for the general standard of 80 percent effectiveness.

2. The conservation of water—our most vital natural resource.

3. An adequate and safe supply of water without the necessity for any dams and at any increase per capita over present costs.

4. The preservation of large areas of our natural environment.

5. Waterways throughout the basin safe for swimming, all forms of water sports, waterfowl, and fish life.

The elimination of pollution would be accomplished progressively over a period of 40 years by the attainment of the following four-point program:

1. No raw sewage from any source shall be discharged into the waterways of the Potomac or Patuxent basins after the year 1975.

2. All sewage treated by sewage plants in the Potomac or Patuxent basins shall be given complete treatment (primary, secondary, and chlorination of the effluent) by methods which will remove at least 90 percent of all contamination by the year 1975, at least 95 percent by the year 1990, and 100 percent by the year 2000.

3. No industrial wastes or water used in industrial processes which contain any contamination shall be discharged into the waterways of the Potomac or Patuxent basins.

4. All farming, urban development, and timbering within the Potomac and Patuxent basins shall comply with modern soil conservation techniques and reforestation practices by the year 1970.

The above goals are politically realistic and economically feasible to attain. Achievement should be based on State legislation and municipal ordinances preceded and followed up by educational and promotional campaigns.

The committee is aware that while increased efficiency of present sewage treatment methods results in the reduction of contaminating elements in the effluent, it does not appreciably reduce the quantity of dissolved mineral salts. Up to the present, the volume of water needed to flush pollution past Washington has been adequate to provide a sufficient dilution of the mineral salts and to prevent the undue growth of algae in the upper estuary. But it is impossible to tell with certainty at just what point the natural flow of the river might be inadequate to provide the necessary dilution of these mineral salts.

Therefore, to assure proper dilution, the committee's plan provides for the possible construction of few impoundment reservoirs in the headwater areas which would provide a supplemental flow of water sufficient to assure adequate dilution. These dams would be built progressively, if and when the need for supplemental water for dilution purposes were definitely indicated.

The committee holds that by the year 2000 domestic sewage will be treated by evaporation-distillation techniques, such as are now being perfected for the economic distillation of fresh water from salt water, and that industrial wastes will be treated by this technique or some other effective method. This would result in a 100 percent pure sewage effluent—one that would contain no organic or inorganic materials—no bacterial, chemical or radioactive contamination. Hence, there no longer would be even the problem of adequate dilution. Actually, the addition of evaporation-distillation facilities to sewage treatment plants would have commenced well before the year 2000 under the committee's plan, and the requirement for water to dilute the mineral salts in the effluents from conventional sewage plants would have been steadily diminishing.

Once pollution is thus completely eliminated, there will be adequate water for all reasonable purposes without the necessity for constructing huge impoundments and destroying the natural environments of our waterways.

The quantity of water in the streams and rivers of the Potomac basin depends upon the amount of rainfall over the area. During the past 88 years, since accurate records have been kept, the average long-term precipitation has been more or less constant in amount, the average annual precipitation for the last 22 years being approximately equal to the average for the past 88 years.

This is reflected by the flow of the Potomac which shows that, for the past 65 years, during which accurate records have been kept, the flow has been relatively uniform, on a cyclic basis.

Thus, there is good evidence that a water crisis from progressively diminishing rainfall is not in prospect for the future. If the daily river flows of the Potomac, Patuxent and Occoquan equaled at all times their average daily flow of 7.5 billion gallons, such flows would be adequate to supply the requirements of the Potomac basin for all foreseeable time. But such is not the way of rivers. During drought conditions, the flow of the Potomac drops to less than a billion gallons per day in the Washington area.

At any of the above times, the water that would be needed by Metropolitan Washington in excess of the river's natural flow would be available in the upper estuary—75 billion gallons of it—as by such time, under the committee's plan, it would be virtually free of contamination. All that would be required would be an adaptation for pumping out the tidewater side of the diversion dam below Little Falls as well as for pumping the natural flow from the upriver side of the dam.

The solution advanced by the Corps of Engineers is to flush pollution past Washington. To assure water for this purpose in

progressively increasing quantities to be released in periods of low river flow, the corps proposes the impoundment of billions of gallons of supplemental water by means of a series of large dams and reservoirs above Washington.

For the record, the corps has no official plan as yet, as it is still in the throes of studying the problem. It commenced its latest study about 2 years ago and has received appropriations for it of nearly $1 million to date. Another half million has been requested for the corps to carry on and complete its study and to come up with official recommendations.

But from time to time representatives of the Corps of Engineers have strongly advocated the flushing theory and the building of huge dams and impoundments, at a cost of many millions. Their schemes are so unimaginative as to be unworthy of the atomic and space age.

Damming the Potomac would be an economic folly, a human tragedy. Damming the river would mean destroying the scenic Potomac Gorge above Great Falls. It would mean flooding thousands of acres of good farmland on the tributaries. It would mean inundating many miles of the historic C. & O. Canal and other areas rich in wildlife, rich in the diversified flora of mountain, piedmont, and coastal plain.

No dams are needed to convert tidewater Potomac at Washington into a mecca for aquatic enthusiasts. In the early 1920's bathers lolled on a sandy beach and swam in the tidal basin not far from where the Jefferson Memorial now stands.

Let the river be cleaned of pollution, and the Potomac, from its source to the Chesapeake, will extend an invitation surpassing anything to be found behind dams.

Frankly, it is incomprehensible how any enlightened citizen of our country can, in this day and age, contend that untreated sewage, contaminated sewage effluent, polluted industrial wastes, and the valuable topsoils of our farmlands should continue to be dumped or washed into the waterways of our Nation, especially in the historic and scenic river flowing through the very heart of the Nation's Capital City. As highly civilized and as wealthy as is this Nation, these practices are both barbaric and intolerable.

Only recently a U.S. Senator stated: "From the back porch of the White House one can see the Potomac River flowing only a few hundred yards away. It is one of our most famous, most scenic, most important rivers. It is in addition the most polluted river west of the Nile, one of the most neglected."

However, should the residents of the basin choose to live with polluted waterways as the Corps of Engineers' plan would have them do, then the coordinating committee offers as an alternative to the corps' plan a plan based upon a limited number of impoundments located exclusively in the headwater areas. Under such a plan an annual supplement of 144 billion gallons of water would be provided to meet the demand as of the year 2000 should there be a recurrence of the low record flows of 1930 at such time. This can be accomplished by 10 possible impoundments, all in the headwater areas.

The conclusion of the committee is that the costs of full treatment under its plan—the elimination of pollution—will be infinitely less than the costs of the dams. One hundred percent treatment has the merit of solving the problem. Flushing from dams would merely mitigate it, and poorly. Funds would be spent on a half-way measure, and the real problem would have been evaded.

The final comparison between the plans should be made on a dollar-and-cents basis. It shows dramatically that if this were the only criterion, the clean river plan would be the winner—way out in front.

The coordinating committee's clean river plan, when compared with the "dirty river plan" of the Corps of Engineers, will save taxpayers $165.6 million in costs to the year 2000 and $298.6 million if projected to the year 2100.

With all pollution eliminated and the waterways virtually pure, there would be water for all reasonable purposes for the residents of the Potomac basin—whatever their number might be—for all time to come.

The goal is clear—a clean river and a healthy land. The remedial measures at hand leave only the need for a will to act.

Copies of the coordinating committee's full report are available at room 709, Wire Building, 1000 Vermont Avenue NW., Washington 5, D.C.

Dr. Ira N. Gabrielson, chairman; Stanley N. Brown, Arthur B. Hanson, Rear Adm. Neill Phillips, U.S. Navy (retired), Anthony Wayne Smith, vice chairmen; Mrs. Andrew Parker, Treasurer; Charles J. Durham, secretary.

The officers and the following committee members constitute the executive committee: Elting Arnold, Washington I. Cleveland, Grant Conway, William J. Cox, William E. Davies, W. W. Rapley, Vice Adm. Ralph S. Riggs, U.S. Navy (retired), Waverly Taylor.

PEACE THROUGH STRENGTH—ADDRESS BY SENATOR BRIDGES

Mrs. SMITH. Mr. President, the senior Republican Member of the U.S. Senate—the senior Senator from New Hampshire [Mr. BRIDGES]—delivered an address on May 14, 1960, at the Kittery-Portsmouth Navy Yard which merits the attention of all Americans. It was the kind of address that is needed very much these days.

I say this because in it the senior Senator from New Hampshire put the accent where it should be put—he put the accent on the positive instead of putting it on the negative. For too long now there have been far too many utterances that put the accent on the negative when speaking of the status of the national defense of our country.

It was indeed refreshing to listen to a Senator, who knows what he is talking about from his service as past chairman and as ranking Republican on the Senate Appropriations Committee, and as the senior Republican member of the Senate Armed Services Committee, and ranking Republican on the Senate Space Committee, speak in confident tones about the security of the United States.

I ask unanimous consent that his remarks be printed in the CONGRESSIONAL RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

PEACE THROUGH STRENGTH

(Address by U.S. Senator STYLES BRIDGES at the launching of the nuclear Polaris submarine, the *Abraham Lincoln*, Portsmouth, N.H., May 14, 1960)

As a U.S. Senator and a member of the Senate Committees on Armed Services, Space Sciences, Appropriations, and the Preparedness Subcommittee, I participated in the legislative program necessary in the development of this mighty weapon of defense. So, for me, as for the Navy, and especially for the shipbuilding men of the Portsmouth-Kittery Naval Shipyard, this is a day of fulfillment.

I refer deliberately to this great defense installation as the Portsmouth-Kittery Yard, because, as you know, we are privileged to have with us today my distinguished colleague, the Honorable MARGARET CHASE SMITH, senior U.S. Senator from the State of Maine. Senator SMITH and I enjoy a friendly rivalry as to whether this historic naval base belongs to New Hampshire or Maine. Today, at least, I would like to think of it as belonging to both—in recognition of the many significant contributions which Senator SMITH has made to the defense of our country. Indeed, she has been a good and stalwart friend to this yard.

The realization of the dual concept of a nuclear powered submarine armed with long-range missiles might very well be reckoned the outstanding naval achievement of our time. I know Senator SMITH agrees with me that this ceremony today is another tribute to the skill and craftsmanship of New England's shipbuilders.

The *Abraham Lincoln* represents many great technological advances. She is a far cry from the tiny L–8, which in 1914 started this shipyard in the field of submarine building. Many of the features of the *Abraham Lincoln* would have seemed like fantastic dreams to the men who sailed the L–8 nearly 50 years ago.

WILL CARRY LINCOLN'S NAME TO THE SEVEN SEAS

This great ship is named for a man who is known the world over as a humanitarian. Yet he had a duty to lead his Nation through its bloodiest war to preserve freedom and his country. He belongs to all men, and to the ages. This new submarine will carry his name to the seven seas. True to the name she bears, her mission is one of peace, not war.

THE CONCEPT OF PEACE THROUGH STRENGTH

Peace through strength is one of nature's immutable laws. The elephant, the mightiest animal in the jungle, is the most peaceful for the simple reason that no other animal dares attack him.

Even in plantlife, the weak flower or tree succumbs to insect or blight. The strong survives to grow in strength and beauty; to glorify God and man.

It is both strange and tragic that man, supposedly the most intelligent form of life, often ignores the lessons of nature.

The American Republic has learned the meaning of peace through strength by hard experience. We learned at Pearl Harbor and we got another lesson when the Communists invaded South Korea.

The *Abraham Lincoln* is evidence for the world to see, that we have learned and shall never forget: The key to lasting peace is overwhelming strength.

ONE OF GREATEST ADVANCEMENTS

This submarine is one of the most advanced machines ever built by man. Her nuclear powerplant makes her a real undersea craft, almost completely independent of surface operations. Her ability to move freely beneath the waters was demonstrated when our submarines sailed from the Pacific to the Atlantic under the polar icecap. With this ability, there is no place on the face of the earth that is beyond reach of her power. She will be constantly moving, and, submerged, she cannot be "zeroed in" by enemy missiles.

The Polaris missile system itself is a great advance in the development of weapons. Propelled by a solid fuel, they will be instantly ready, safe to handle, and quick to fire if they are ever needed.

The *Abraham Lincoln* has 16 missile launching tubes. A single salvo would launch greater destructive power than all the bombs dropped by both sides during World War II.

This ship was built by a nation that loves peace enough to build the strength to prevent war. Her primary purpose is to deter

the threatened aggression of dictators. The *Abraham Lincoln*, along with her sister ships, should help convince our potential enemies that our freedom is not to be trifled with.

THE RECORD OF SOVIET DISHONOR

We are living in a time of peril. The international Communist conspiracy directed from Moscow poses the threat of world domination by force.

By word and deed, they have proved their readiness to destroy freedom when and if they are able.

We are about to engage in summit conferences. Our President will sit at the bargaining table with other world leaders representing both East and West.

Our earnest desire is that differences will be resolved and peace assured. We hope that Khrushchev and his satellite leaders are similarly sincere. But, regardless of the immediate outcome of the conferences, we cannot forget that the Russians have violated practically every international agreement to which they have been party over a period of 30 years.

Now they want to talk disarmament. But let us at the onset resolve not to be disarmed by words.

If they agree to lay down one weapon, let us agree to lay down one weapon of similar capability, but only if the agreement calls for adequate inspection. Otherwise, we disarm at our peril, for we have no proof that they would honor the compact.

Until such time as disarmament can be carried out with foolproof inspection, our best insurance for peace is strength.

UNITED STATES NEEDS VARIETY FOR DEFENSE

We need balanced forces in order to keep the potential enemy off balance. With limited strategy and only a few types of weapons, our enemy could concentrate his energy and resources. We need a broad range of defense capability.

The *Abraham Lincoln* is further evidence that the United States will not be placed in the position of relying on one or even a few weapons. To do so would be fatal.

We need land-based mobile missiles. We need modern bombers and fighter planes. We need Polaris submarines. We need modern aircraft carriers and a capable and well-equipped Army and Marine Corps. Each contributes its competence and experience to our overall Defense Establishment.

Submarines are by nature creatures of cunning. They are hidden beneath the surface and can be scattered over the vast oceans of the world. It is no easy task to find a single submarine at sea. It's virtually impossible to find all of them.

THE FIFTH POLARIS SUB

When the *Abraham Lincoln* loads her Polaris missiles, she will be the fifth of her type to join this Nation's seagoing deterrent. Her 16 missiles—immediately ready for action—will bring the total of weapons of destruction around the nerve center of the enemy's homeland to 80. This will mean a total of 80 targets that an aggressor must be prepared to see destroyed if he should decide to attack. This number will steadily increase as additional sister ships are completed.

This is why this ship is so essential and why this work here in Portsmouth is so important to every citizen of the United States. My sincere congratulations to all of you who have played a part in the construction of this fine ship.

I wish success to those who are to man this ship as she moves through the seven seas in the performance of her assigned mission. The officers who will soon command this magnificent warship might bear in mind one of Lincoln's observations: "Let us have faith that right makes might, and in that faith let us to the end dare to do our duty as we understand it." With this guidance—still so meaningful after almost a century—for the men who man her, a new *Abraham Lincoln* can soon go forth on the seas to support the principles of freedom and liberty which this Nation holds so dear.

MINNESOTA HIGH SCHOOL RESIDENTIAL SEMINAR

Mr. McCARTHY. Mr. President, the Minnesota High School Residential Seminar on Latin America recently issued their final report on their discussion of the problems of Latin American countries and of the policies which the United States might usefully adopt with respect to these countries.

These students from the high schools of Minnesota should be commended for their interest in foreign policy, particularly in our relations with our Latin American neighbors, I ask unanimous consent that it be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

FINAL REPORT, MINNESOTA HIGH SCHOOL RESIDENTIAL SEMINAR ON LATIN AMERICA, APRIL 7, 8, AND 9, 1960

The members of the seminar have spent 2 days in stimulating discussion of problems of Latin American countries and of policies which the United States might usefully adopt with respect to them. The resolutions which follow express the general consensus of the group. They do not imply that complete agreement was reached; occasionally there were minority dissenting opinions.

The seminar was organized under the sponsorship of the Center for Continuation Study, University of Minnesota, and the Minnesota World Affairs Center, with the support of the Hill Family Foundation, St. Paul, and the Winton Fund, Minneapolis. The members wish to express their appreciation for the opportunity these organizations have given them to conduct their discussions under especially favorable conditions. The careful selection of participants, the able guidance of a distinguished faculty, and the efficient organization and congenial atmosphere of the conference, have all contributed to this.

I. THE PRESENT SITUATION

1. The policy of the United States with respect to Latin American problems must be considered in the light of the evolution of an American community of which this country is one member. The objectives of this community have been to assure peace by a hemispheric security system and to promote the development of free and prosperous societies in all American States. The attainment of these objectives is a matter of mutual interest and benefit for all Americans. It should be pursued as a common effort involving joint planning and cooperative programs. The United States, as well as every other American State, has a great deal to gain from the success of such efforts. Failure to secure the peace and prosperity of any part of the Americas would be potentially dangerous to us. In view of these community objectives it should be a matter of concern to the United States that the feeling of hemispheric solidarity which prevailed during and immediately after the Second World War has sensibly diminished during the past decade. This has been due to the fact that preoccupation of the United States with military and economic assistance programs and development programs designed to counter Communist expansion in Europe and Asia has not been matched by an equal attention to problems of development in the Latin American States. The people of these states have felt with some reason that problems of the American community deserve an equal emphasis in the policy of the United States.

II. ECONOMIC AND SOCIAL DEVELOPMENT

2. Objectives: Stability in Latin American countries requires a closing of the gap which exists in most of them between classes—on the one hand a wealthy class of metropolitan entrepreneurs and semifeudal rural proprietors who control the economy and the Government, on the other hand a large class of uneducated and impoverished agricultural laborers and unskilled city workers. The development of a middle class is linked with (a) the expansion and diversification of economies and (b) the development of education, communications, and social services. We must therefore consider what steps the United States can take to help in these directions.

3. Economic development:

(a) Raw material production:

(1) Diversification: Many Latin American countries have been overly dependent upon market fluctuations and economic conditions in other countries because of failure to diversify production. This has also made it difficult for them to develop a skilled labor force or business group and hence to develop a middle class. Many of these countries could expand their economies greatly and secure stability by introducing new products and seeking new markets for them. For a time the transition might cause loss of income and dislocation of labor. The United States, in cooperation with Pan American organizations, could make a useful contribution by assistance in planning complementary diversification, providing training for enterpreneurs and labor, and extending loans to cover initial losses. For example, such diversification can be encouraged by continuation and expansion of the point 4 program.

(2) Marketing: The United States could assist in stabilizing markets for Latin American products by removing arbitrary tariff protection for U.S. products which can readily compete with corresponding products of Latin American countries, and in some cases by import quotas. The United States should avoid dumping of its excess produce on the world market at prices far below the market price or as gifts except in cases where this may be a necessary measure of relief in a disaster situation. Because producers of non-American countries may also enter the market, control by production quotas or price fixing should ordinarily be undertaken in the form of international commodity agreements involving all producing countries. Common market agreements among American States are possible in some cases and may prove increasingly useful as more diversified raw material and industrial production develops.

(b) Industrialization:

The capacity of Latin American countries for industrialization (which depends upon sources of power, raw materials, labor supply, transport, and markets) varies widely. Brazil and Mexico are already developing heavy industry and are able to move forward rapidly. Considerable potential exists in Venezuela and Chile. Most countries could develop light industries. In doing this there is great need for investment capital and technical assistance. The provision of capital for specific projects should be primarily a function of private investment. There are many projects which will be not only economically sound but likely to yield attractive profits within a reasonable period. Where projects require very large or long-term investment before reasonable profits can be anticipated, there may be need for occasional public loans. It is also true that in a few industries, e.g. petroleum, Latin American

countries may consider a raw material asset so essential to the development of the whole economy that the national interest will not permit private development. Where there is evidence that this is not a rationalization of a scheme of personal control and self-enrichment of political leaders, it seems wise to accept this view and not to try to impress private enterprise upon them.

(1) Conditions of private investment: The conditions of investment should be framed in a cooperative spirit. Corporations formed in the United States for operations in Latin American countries should expect as a condition of permission to do business that they must assume a position approximating that of Latin-American corporations. They should be willing to give assurances that they will employ and train a substantial Latin-American labor force, giving opportunity for advancement to higher posts; submit to the jurisdiction of local courts without invoking diplomatic interventions or claims by the United States on their behalf except where general standards of justice are violated; accept a fair share of responsibility for support of community and national services; engage in fair competition. The United States could encourage its companies to initiate or expand enterprises in Latin American countries in a manner consistent with these principles by developing a plan of Government insurance of such companies against losses resulting from expropriation or revolution, restricting such benefits to companies which undertook to improve production, compete equitably, benefit the local economy, and conduct their business in a manner compatible with the business and cultural traditions of the countries in which they operated.

(2) Conditions of Government assistance: Most public support of industrialization ought to be in the form of technical assistance programs whereby expert personnel for planning of projects or training of personnel is provided. In the few cases where long-term, low-interest Government loans are required for industrial development it would be preferable to channel these through regional development organizations which can provide some supervision and review of expenditures without arousing fear of economic imperialism. Loans should be made only for specific projects, carefully defined by agreement between the governments.

4. Social services: Capital and technical assistance are also required for programs of education, public health, housing, land reform programs, roads and transport, and other social services. Without this a trained labor force and a politically alert middle class cannot develop. Financing must necessarily be by long-term low-interest loans, which can be provided preferably by inter-American development banks or funds, or directly by the United States. Appropriations for such purposes should be substantially increased. To assure effective planning and utilization of funds it is desirable that surveys and planning by regional or international agencies be undertaken and that periodic reports upon progress be made by them. Facilities for this might well be provided by the Organization of American States. Consideration might also be given by it to inclusive long-term planning of such programs, so that resources can be efficiently allocated. An expanded technical assistance program will be necessary to provide expert guidance and training in such programs.

5. Political obstacles to development programs:

(a) Dictatorship: It is certainly desirable to avoid the funneling of money lent for development purposes into the pockets of local dictators. However, it would not solve the problem to try to draw a simple distinction between dictatorial and democratic governments, refusing aid to the former. Political control is far more confined to a small governing class in most Latin American countries than in the United States. Although in some cases it will be difficult to assure the cooperation of the group in control, the best approach appears to be through careful earmarking of loans for specific projects, substantial publicity to the aid programs, and regular review of progress. Such a review could best be undertaken by a regional agency. Continued misuse of funds might then become a ground for refusal to make further loans. Care should also be taken to avoid loans for projects to which a dictator might point as evidence of U.S. support of his regime.

(b) Nationalism. Nationalism is a natural sentiment which need not prevent an intelligent common effort on a regional basis. There is an exaggerated form of economic nationalism which demands artificial creation of uneconomic industries. The object is to free the country from dependence upon other states, a reaction against unscrupulous exploitation. The United States was not free from fault in this. The best way to overcome the bad effects of such nationalism in Latin American states is to pursue consistently over a long period a shared program of development along the lines suggested herein.

6. Education: The development of cultural relations through student and faculty exchanges, improvement of communications and press coverage, supervised travel, and general education can also do much to increase sympathetic appreciation of the institutions and problems of other American countries. Such exchanges must be a two-way street. Americans, both North and South, need more knowledge of each other.

III. COMMUNISM

7. Character: We need to be cautious about attributing to leftist movements in Latin America all the characteristics of Russian or Chinese communism. In countries where there is a pressing need for social and economic reform, opposition to government policy may be a sign of intelligent desire for social democracy rather than of communism. These movements, although they may be labeled communistic, may be national movements neither stimulated by nor associated with international communism. A predisposition to find communism in social reform movements or even in palace revolutions has led us into serious mistakes in estimating past situations, e.g., the Guatemalan revolution of 1954. Careful, independent reporting by well-trained career officers, and attention to their reports by the Department of State, are essential in determining the facts.

8. Extent: There appears to be little immediate threat of control of Latin American countries by international communism. Russian and Communist Chinese policy has been directed primarily toward driving a wedge between Latin America and the United States by creating in the former a distorted image of U.S. imperialist exploitation and opposition to social reform. However, some beginnings of economic penetration are also apparent. Although not an immediate danger, international communism is certainly a potential danger in any countries where sharp social and economic stratification continues. If it can gain control of social reform movements, communism may twist them to its own patterns. It is therefore essential that we try to avoid this by removing the causes of social and economic unrest through a common American program.

9. Remedies: Where there is not clear evidence of international Communist control there should be no interference in social revolutionary movements in American states. In such situations great patience and forbearance need to be shown even when economic interests of the United States or its citizens are injured. Sympathetic consideration should be given to assisting programs of social reform. Limited trade relations between American governments and Communist states should not cause great concern. We commend the restraint thus far shown by the United States in dealing with the Castro government.

If there is evidence of danger from international communism this should never be taken to justify unilateral intervention by the United States. Investigation to develop the facts should be undertaken by the Organization of American States, and any program to protect American security should be jointly developed and executed.

The most effective way to counter communism will be the support of positive programs of economic development and social reform, to which reference has already been made.

IV. SECURITY

10. Disarmament; regional police: Common action of American States in the preservation of hemispheric security is an accepted principle for which consultative apparatus is provided in the Organization of American States. This principle must command the continued support of all American States. However, it would be consistent with this to take steps which would partially relieve the pressure upon national budgets of maintaining the present military establishments of Latin American States. If these states wish to initiate a program of national disarmament and demilitarization of national forces, substituting an adequate regional police force under the Organization of American States to maintain order in Latin America, the United States ought to give full and prompt support to such a proposal. This would not seriously affect defense of the hemisphere against external attack, for the principle of solidarity does not imply the necessity of large forces from Latin American countries. The burden of meeting an attack by great non-American powers must necessarily fall very heavily upon the United States. Such an arrangement would also relieve this country from the burden of military assistance to Latin American States and from the danger which now exists that such assistance might strengthen political regimes which we do not care to support.

11. Panama Canal: It would be an evidence of wholehearted acceptance of the principle of common action likely to be deeply appreciated by other American States if the United States would consent to regional administration of the Panama Canal. The genuine community of interest of all American States in the security of the Canal would assure that such administration would be responsibly undertaken.

V. SOCIAL PROBLEMS

12. Reference has been made to the existence in many American states of social and economic stratification which perpetuates the poverty, illiteracy, and dependency of large segments of the population. There is urgent need for land reform which will distribute independent holdings more widely and reduce peonage, for large programs of public education especially in rural areas, for public health and sanitary services, for training in improved agricultural methods, for building of better systems of communication and transport, for more equitable tax structures, for diversification of production and introduction of industries. The security and welfare of all American countries is involved in the success of such undertakings.

VI. PRINCIPLES OF COOPERATIVE ACTION

13. In urging that the United States give increased support to such programs we wish to make clear that we appreciate the need for certain limitations upon our action.

There must be no intervention or pressure by the United States alone even to secure good ends. This can best be avoided by common planning and common execution of plans. The use of the servicio de cooperación ténica suggests that institutions can be developed which will permit joint action without inefficiency and perpetual negotiation. Reliance upon regional institutions in planning, supervision, and review may often avoid misunderstanding of motives. Especially we should help to develop and expand the services of the Organization of American States for these purposes. It is in a position to formulate authoritatively regional standards upon such matters as expropriation, protection of the interests of nonnationals, international claims, and compensation; and to coordinate and give effective direction to the common efforts of American states to improve economic and social conditions. The creation of standing financial institutions or funds for development loans which function outside political channels will prove helpful. Continued effort to make clear the cooperative spirit in which we wish to participate in development programs is needed. In particular we must attempt to understand specific development problems not in terms of our tradition but of the tradition which produced them, and must use ingenuity and flexibility in planning reforms. If we fully accept for ourselves the principle of common effort as members of a community we can expect that we will come to be identified with progressive tendencies in government and economics and that our assistance will be sought.

YOUTH APPRECIATION WEEK

Mr. KEATING. Mr. President, on March 30 of this year I introduced Senate Joint Resolution 181, to designate the second week in November as Youth Appreciation Week. I was joined by five of my colleagues in proposing this significant salute to our young people.

Strong backing for this idea has come from Optimists International, that fine organization which is dedicated to carrying out its motto: "Friend of the Boy." The Optimists have been leaders in observances of Youth Appreciation Week all over the country, and this November the organization will be sponsoring its fourth annual program. In 1959 more than 1,400 of 1,800 Optimist Clubs actively participated in the program.

I recently had the pleasure of conferring with officials of Optimist International, including President Nicholas C. Mueller, about the wonderful work being done in this field. They pledged full support for Senate Joint Resolution 181.

In viewing the importance of giving congressional support to Youth Appreciation Week, it is vital to consider the outstanding work which has already been done during observances of this week all across the Nation.

Meeting the ever-present problem of juvenile delinquency with a positive approach has led Optimists to give more than 17,200,000 youth of North America a pat on the back during the Youth Appreciation Week program.

The idea of lauding youth for their desire to become good citizens was conceived 5 years ago by a North Carolina businessman. With the aid of his Optimist Club members and the State's Governor, Youth Appreciation Week became a reality for the youth of the Tarheel State, and within 2 years this dream became a pilot project with Optimist International. In 1957 the first international Youth Appreciation Week program was conducted. This past year the program has increased tremendously in size and scope. Here is how Optimists have given youths a pat on the back.

Executive proclamations were issued in almost every State, province, and city in which an Optimist Club operates.

Billboard companies, newspapers, radio and TV stations, eager to commend the good works of our younger generation, joined in the program wholeheartedly, contributing many hundreds of column inches and hours of broadcasting time to the effort. Their generosity and sympathy with the program have helped youngsters realize that they do not have to be bad to be noticed.

Eminent speakers, such as Dr. George W. Crane, joined the ranks of those who believe that praise is more valuable than punishment in the raising of good citizens. And law enforcement agencies throughout North America agreed with the Optimist theory that this program, if continued and expanded, would help reduce future advances in delinquency.

Optimists, realizing the growing need for advanced education, set up scholarships during Youth Appreciation Week at various colleges and universities.

Youth in Government Day, observed during the week, was a huge success everywhere. The program has been especially designed to show youngsters the problems they will face when they become the voting citizens of the community. It is further arranged to demonstrate how the various city offices are conducted. Those fortunate enough to live in the vicinity of New York City visited the United Nations and watched world government in action.

Courtesy driver awards were made in many communities, several clubs using Youth Appreciation Week to sponsor and promote the activities of youth driving clubs. And other machines were brought into play, too. Numerous clubs conducted sewing contests for the girls of the community.

Sports and food—two of youth's biggest interests—provided many clubs with the highlight activity of their Youth Appreciation Week. Luncheons, dinners, barbeques, hot dog roasts, formal banquets, and old-fashioned family picnics marked this special week. Sporting events of every variety were held, indoor and outdoor, depending upon the locale and the temperature.

Knowing full well that the development of mind and body are of equal importance for the future of our country, clubs presented playgrounds with new equipment and high school science laboratories with experimental facilities.

And youth, eager to demonstrate to their elders their appreciation for this recognition, participated in numerous activities of charity and devotion. Throughout the land, ministerial and lay students were in charge of church services on Youth in Church Day.

Art displays and hobby shows seemed to sprout up everywhere, and in several communities youth, finding hobbies in common, joined together to form new Junior Optimist Clubs.

Young people themselves banded together to give recognition to their fellow youth who have worked unrewarded and unknown for months and years at hospitals for the physically and mentally ill.

Another group, realizing one of the community's biggest problems was a lack of street lights, stenciled numbers in phosphorescent paint on the curbs of every home in the community as a measure of safety and convenience.

And in one school, the youth picked up the theme of appreciation and turned the tables on the faculty. Knowing that their teachers were responsible in great part for their future, they produced a program of teacher appreciation.

Mr. President, the fine work which has already been done by Optimists International clubs all over America augurs well for the success of a congressionally sanctioned Youth Appreciation Week. I am extremely hopeful action will be forthcoming soon on this proposal, so that all of us can join in a salute to our young people.

Mr. PROXMIRE. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MOSS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed, without amendment, the following bills and joint resolution of the Senate:

S. 684. An act for the relief of Gerald Degnan, William C. Williams, Harry Eakon, Jacob Beebe, Thorvald Ohnstad, Evan S. Henry, Henry Pitmatalik, D. LeRoy Kotila, Bernard Rock, Bud J. Carlson, Charles F. Curtis, and A. N. Dake;

S. 2317. An act for the relief of Mary Alice Clements;

S. 2523. An act for the relief of Harry L. Arkin;

S. 2779. An act relating to the election under section 1372 of the Internal Revenue Code of 1954 by the Augusta Furniture Co., Inc., of Staunton, Va.; and

S.J. Res. 166. Joint resolution authorizing the Architect of the Capitol to permit certain temporary and permanent construction work on the Capitol Grounds in connection with the erection of a building on privately owned property adjacent thereto.

ENROLLED BILL AND JOINT RESOLUTION SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bill and joint resolution, and they were signed by the President pro tempore:

S. 3338. An act to remove the present $5,000 limitation which prevents the Secretary of

the Air Force from settling certain claims arising out of the crash of a U.S. Air Force aircraft at Little Rock, Ark.; and

H.J. Res. 640. Joint resolution to authorize and request the President to issue a proclamation in connection with the centennial of the birth of General of the Armies John J. Pershing.

EXTENSION OF LIBRARY SERVICES ACT

Mr. MOSS. Mr. President, a robust library system is just as fundamental to America as a strong highway or educational system. For this reason I deemed it a privilege to join in cosponsoring the measure introduced by the senior Senator from Alabama [Mr. HILL] to extend for 5 years the Library Services Act of 1956.

It is impossible to estimate the number of people throughout the country who have been drawn into the wonderful world of books by the library services program. Traveling bookmobiles and the addition of library books to permanent and newly established libraries have helped millions of Americans to learn more, to be challenged and entertained, and to be carried off on the high road of adventure. The program has made more libraries possible, and has established loan and reference programs, workshops, and moving picture film services. Its benefits have flowed into rural America in all sections of the country.

My State of Utah entered the program on July 10, 1957, and by December had both temporary quarters and a State director, Mr. Russell L. Davis. During the 2 years and 5 months the program has been in operation it has proved of genuine grassroots value.

Four bookmobiles have been purchased, and three, including an exhibitmobile, are in operation. The exhibitmobile has been in all but three of Utah's counties, and in practically every town of the State. The three counties include Salt Lake County, which has several bookmobiles of its own. A station wagon to deliver books completes the State library fleet.

A staff of 14 is operating from State library headquarters, completed in August 1958. Headquarters consists of 7,200 feet of floor space and 2,900 running feet of shelving. Forty-one thousand two hundred and twelve books were cataloged and ready for use by the beginning of this year. The staff has conducted many public meetings in every county in the State.

As a result of these activities, Mr. Davis reports the following accomplishments:

San Juan County, which encompasses a large and remote area bordering on Colorado, New Mexico, and Arizona, has created a county library and has purchased a bookmobile and 6,000 books, which the State library cataloged. The entire county now has library service and is planning two library buildings.

Kane, Garfield, Piute, Sevier, and Duchesne Counties have established county library boards to contract with each other or with the State library to maintain continuing library service.

Iron, Wayne, Rich, Tooele, and Weber Counties are participating in bookmobile demonstrations operated from the State library and have not made final decisions on their programs as yet.

Many books have been loaned to small libraries throughout the State, bringing new or improved service to almost 100,000 people in Utah.

There is still much to be done, according to Mr. Davis. Fourteen other counties in Utah need help to start providing adequate service to all residents of the county.

Of the 10 counties now being served by the State library, 8 will need continuing aid to bring them up to minimum standards of service.

To provide complete library coverage of the State, Utah should have between 20 and 22 bookmobiles. Salt Lake City has ordered 2 new bookmobiles, which will bring the total in the State up to 11—Salt Lake County 4, Salt Lake City 2, San Juan County 1, State library 4.

Mr. Davis reports that the people of Utah are so "book hungry" that the present State library book stock is exhausted, and that more books could be used to great advantage. Additional funds are also needed for bookmobiles so that additional counties can be reached.

Mr. President, the Library Services Act has proved its worth many times over. Surely it is as noncontroversial as legislation can be. The bill has now been reported by the Committee on Labor and Public Welfare, and I hope it will be quickly passed by the Senate.

COMMUNITY ANTENNA SYSTEMS

Mr. MOSS. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator from Utah will state it.

Mr. MOSS. Has the morning hour been concluded?

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, morning business is concluded.

Without objection, the Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (S. 2653) to amend the Communications Act of 1934 to establish jurisdiction in the Federal Communications Commission over community antenna systems.

Mr. MOSS. Mr. President, I desire to express——

The ACTING PRESIDENT pro tempore. Would the Senator from Utah accept a suggestion from the Chair to the effect that the Senator suggest the absence of a quorum?

Mr. MOSS. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BIBLE. Mr. President, I ask unanimous consent that the previous order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. Moss in the chair). Without objection, it is so ordered.

PROPOSED REDUCTION OF AIR STRENGTH IN ALASKA

Mr. GRUENING. Mr. President, some weeks ago, the Department of the Air Force informed me and my colleague, the senior Senator from Alaska [Mr. BARTLETT], that the 449th Fighter Interceptor Squadron at Ladd Air Force Base was to exchange its F–89 aircraft for F–101B's. The information was that a superior, more modern, faster, and more effective type of aircraft, in harmony with the presumed steady improvement of our defense equipment and our defense needs, would replace the F–89 fighters at this base near Fairbanks, Alaska. On May 10, after hearing rumors of a different plan, which contemplated reduction, instead of either maintenance or improvement of our armed strength, in what is our Nation's northernmost air base on this continent, in company with my able colleague and Alaska's Representative in the House, the Honorable RALPH J. RIVERS, I visited the Pentagon. Our Alaska delegation considered the reports so alarming and so unbelievable that we wanted to get the fullest information at firsthand. We met in the Office of the Under Secretary of the Air Force, Dr. Joseph V. Charyk. Present were also Gen. Curtis LeMay, Vice Chief of Staff of the Air Force, Maj. Gen. Thomas C. Musgrave, Director of Legislative Liaison of the Air Force, and several colonels.

We were informed that, far from substituting superior planes for the existing ones, it was planned to phase out the entire 449th Fighter Interceptor Squadron, and that it would cease to exist by August of 1960. This meant the abolition of 25 planes and the reduction of the force of 500 men, pilots, mechanics, and other personnel.

Mr. President, this is a shocking abandonment of a vital sector of our first line of defense in an area of maximum strategic importance. I would be more than remiss if I did not voice most vigorously, and with all the emphasis at my command, the protest which I feel is more than justified, to a proposal I deem to be the height of folly.

For all intents and purposes, Ladd Field is to be abandoned as an airbase. We were told that the only Air Force facility scheduled to remain there would be the Arctic Aero Medical Laboratory. We were given some indication that an attempt to cover this area from Elmendorf Field, 300 miles to the south, or Eielson Field, 29 miles to the east, would be made, but that actually Alaska could be protected by planes flying from the older 48 States in the event of an emergency. That might be to prepare us for the removal of the 32 fighters now at Elmendorf, leaving Alaska wholly without fighter planes.

We were likewise told that conversations were in progress between the Air Force and the Army in Alaska, with a view to seeing whether some of the living quarters at Ladd might not be utilized

by the Army. But there is to be no increase in Army strength or personnel. So it is clear that, whatever the allegations and attempted justification, this announced action represents a sharp reduction in our defensive strength on our northernmost and westernmost fronts. In short, it is a budgetary cut, and similar to those in our national defense which the administration is making elsewhere.

Instead of cutting some of the fat out of the defense expenditures, instead of stopping the utterly inexcusable triplication of purchasing that takes place in the three armed services, instead of eliminating the waste which reaches shocking proportions in the conduct of the armed services, the Eisenhower administration, which was once hopefully looked to as the one which might achieve a true unification of the armed services, which might obviate waste, and which might strengthen the national defense, is, instead, cutting at the vitals of our national security.

Recently, that excellent daily, the Wall Street Journal, published an article "Military Managers," with a subheading, "They Waste $2 Billion or More Every Year," with a further subhead telling how desk job airmen get flight pay, whereas actual flyers in Alaska are being grounded. It does not begin to tell the whole story of military waste. If that were told, the total would be nearer $5 billion than $2 billion.

I ask unanimous consent that this article, telling of the needless waste of billions of dollars in our armed services, be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MILITARY MANAGERS—THEY WASTE $2 BILLION OR MORE EVERY YEAR, CIVILIAN CRITICS SAY—MORE DESK-JOB AIRMEN GET FLIGHT PAY; NEW HOSPITALS ADD TO A SURPLUS OF BEDS—SAGA OF 30,017 FOOTLOCKERS

(By Alan L. Otten)

WASHINGTON.—The Army is resisting all attempts to make it sell 72 acres of Hawaii's lovely Waikiki Beach. It maintains that GI's need the tract, valued at $40 million, for swimming and sunbathing.

The cost of operating planes for desk-bound airmen who put in a few hours a month of practice flying time to collect bonus flight pay has risen so high that the administration is considering awarding the men the extra pay without requiring the flying. There's hardly a thought of cutting out this bonus; it has become so ingrained in military pay scales that removal would bring an uproar that military men wouldn't like to face.

The San Francisco area already has four miltary hospitals with total capacity of 5,235 beds, of which less than 2,850 are in use, and there's an inactive 775-bed hospital nearby. Yet the Army and Navy are proposing to build new hospitals to replace two of the four.

Civilians who have worked for years on the military budget—in the executive branch, in Congress, in private life—produce these examples of what's wrong with management of the Nation's defense effort. Any top-notch impartial management expert, they say, would agree on the need for reform. Such practices, they maintain, flout widely accepted principles of efficiency and economy. And they involve no hotly controversial issues of defense policy, such as emphasis on missiles versus manned aircraft or preparedness for big or limited war.

MOST REFORMS ARE BLOCKED

Yet most of the reforms proposed by management experts are blocked by pressure—pressures from empire-building officers within the services, pressures from Congressmen and local businessmen intent on keeping military payrolls in their districts, pressures from patriotic and veterans' organizations who see some broad national defense issue in the simplest procedural changes.

"Good management changes, on which any right-minded man should be able to agree, can save $2 billion to $3 billion a year in the military budget, and produce a better defense effort," asserts one top Government official who has labored for many years to hold down service outlays. Military spending now runs about $41 billion annually, over half the total Federal budget.

Most of the critics of military management agree the fairly new Defense Secretary, Thomas Gates, is the kind of man needed to bring some order out of chaos; he has worked in the Pentagon for 7 years and knows the political maneuvers of the services in and out. But they say even a man like Mr. Gates needs time to build up a loyal and knowledgeable staff and to bring a change in the atmosphere. And with this administration nearing a close, time is what Mr. Gates doesn't have.

"Talk to people who don't live with it every day and they refuse to believe what you tell them," declares one observer of the defense setup. "It's the most complex organization ever developed, and you can't change it overnight. Change must come slowly. But it must come if we are to support this huge Military Establishment for much longer without breaking the country."

BUILT-IN RESISTANCE

"Resistance is built into the system," declares another critic of Pentagon ways. "You don't get promoted for being a good manager or efficient spender, but for the job you hold and the time you put in and the number of people under you. The Defense Department is one of the finest collections of individuals you can find anywhere, but the system just doesn't let them function. No lieutenant colonel is going to tell his superior what's wrong or go over his head. No Air Force officer temporarily assigned to the staff of the Secretary of Defense is going to be too rough on the Air Force so long as he must get his promotions in the Air Force and go back there some day."

But, the critics agree, changes can be made to improve the situation immediately and pave the way for more basic overhaul later on. The changes would involve disposing of valuable real estate the services don't need, eliminating duplication in supply and servicing, keeping better track of what's on hand, doing a better job of placing new orders and getting rid of surpluses, overhauling sacred cow fringe benefits, and making dozens of other big and little alterations.

Air Force flight pay, many experts believe, is coming close to scandal proportions, as the Air Force switches increasingly to missiles and more and more fliers descend to ground jobs. About 110,000 Air Force pilots, navigators, flight surgeons and other airmen now get some $200 million a year in bonus flight pay. Provided originally as compensation for hazardous combat flights, the pay can now be earned for flying as little as 4 hours a month and 100 hours a year. Most flight personnel, even if desk-bound, make sure they log that much time. Many are taking special jet training so they can continue to get flight pay when few nonjet planes remain. None of these is ever likely to fly jets as a main job. Meantime, there's a mounting outlay to provide, maintain, service and repair the planes these men use for their minimum flying activity.

Smaller matters prove equally sticky. The Army, Air Force, and most civilian Government agencies pay their employees every 2 weeks. Navy blue-collar workers, however, have long been paid every week—and despite the clear prospect of a $2 million-a-year saving in bookkeeping costs, the Navy refuses to change.

THE FOOTLOCKER STORY

Supply distribution, management experts say, betrays Pentagon muddling at its worst. Witness the "horror story" of an order for 300 footlockers by the Air Force base at Bitberg, Germany. As received at the Quartermaster Depot at Philadelphia, the order had somehow grown to 30,017 footlockers. Without questioning the need for more than 30,000 footlockers at a base of 400 men, the depot had the trunks shipped from Texas and Tennessee supply points. While they were on the high seas, the error was discovered—too late to save some $100,000 in excess shipping costs.

That's not all. When the footlockers did arrive, the base obligingly took 702, more than double its original order. The rest went to the Army supply depot at Giessen, Germany; it already had on hand several thousand footlockers, from which the Bitberg order could have been filled in the first place.

An area where the greatest economy progress could be most painlessly made, the critics say, is in the disposal of unneeded military real estate. The services now have land, factories, and other buildings that cost $33 billion to acquire or build, and recently they've been adding about $1.5 billion to $2 billion a year and getting rid of practically nothing. The maintenance cost creeps up. "It's eating us out of house and home, leaving us less and less for strictly military spending," one official complains. Some experts figure the Pentagon could easily take in $1 billion from sale of unneeded real estate and save some $200 to $300 million a year on upkeep.

Consider these unrealized possibilities for savings:

The Presidio, 1,343 acres of prime San Francisco real estate overlooking the Golden Gate, serves as the sprawling headquarters of the 6th Army. The headquarters, critics say, could operate far more economically and efficiently in one compact office building.

Fort Hamilton in Brooklyn is now used chiefly to process dependents of service families going overseas or returning to the States. The processing, economizers agree, could easily be done at other military installations around New York, and higherups in the Pentagon and White House have pressed the Army to yield this land to civilian use. But the Army refuses. Recently, when the New York Triborough Bridge Authority needed a strip of the fort for the approach to the new Narrows Bridge, the Army gave up a small piece of land—on condition the Authority replace the land at another point and also replace the building which had been on the ceded land.

The services not only refuse to yield real estate but persistently try to do more with what they have. The Army recently proposed reactivating its nearly idle Cleveland and Lima, Ohio, ordnance plants and its Detroit arsenal. The Cleveland plant was to be used to produce lightweight combat vehicles, and the Detroit and Lima plants to produce medium-weight combat vehicles—all satisfactorily produced by private firms. The Army argued its plants could produce the vehicles more cheaply and better. Top Pentagon officials vetoed this plan as too sweeping, but expect the Army to come back shortly with a more modest proposal.

When the services do get ready to dispose of installations, they frequently run into stormy opposition. Local merchants like the military payrolls. Southern Wisconsin took months to quiet down not long ago when the

Air Force decided to discontinue construction of the new Bong Airbase and dispose of the land. Right now Maryland and Virginia Congressmen of both parties are teaming up again, as in past years, to pressure the Navy into revising plans to cut back Washington's naval weapons plant with its 5,500 employees. The plant makes a variety of missile control devices, antisub gear and other items which management specialists agree could be better produced elsewhere.

PROBLEM OF DUPLICATION

Elimination of military duplication is considered another huge area of potential savings, and here too there is marked resistance to change within each service. Each has its own medical, communications, supply, contracting, auditing, and weather forecasting systems—and each aims to keep them as long as it can.

A congressional staff study recently estimated Armed Forces medical costs at over $400 million a year, with some 185 hospitals in the United States and 90 overseas. The hospitals have a total capacity of about 105,000 beds and average occupancy of less than 40 percent. They employ about 145,000 people, about 75 percent military and 25 percent civilian.

"It is difficult to conceive," the report said, "of an area that would more readily lend itself to consolidation than medical care. The conditions which require medical service, the facilities for treatment, and the professional standards for medical personnel are virtually indistinguishable among the services."

At Denver, a 350-bed hospital at Lowry Air Force Base keeps only 100 beds in use to care for an average load of 51 patients. Six miles away, Fitzsimons Army Hospital, with 2,078 beds, operates about 900 of them to care for an average of 684 patients.

At Langley Air Force Base in Virginia, a 217-bed hospital keeps 100 beds in use to care for 62 patients, on the average. Six miles away, at the Army's Fort Monroe, there is a 141-bed hospital, in which 35 beds are maintained to care for an average 20-patient load.

DEPOTS DO SAME JOB

Supply distribution is an area of rampant duplication, experts say. In the Southeastern United States, one congressional investigation has found, the Army's Atlanta and Memphis depots, the Air Force's mobile depot, the Marine Corps supply center in Albany, Ga., and four Navy stock points are all supplying their respective services with the same supplies. Army supply operates through seven different technical services—Ordnance, Chemical, and the like—each with specific types of material assigned it. This results in no less than 24 separate Army supply control points in the continental United States—several for each of the 7 services—when 5 to 8 could handle the job nicely, according to one management expert.

Military overbuying, lack of standardization, bad inventorying, and slow and costly surplus disposal habits long have been favorite congressional targets. Some progress has been made, budget scanners say, but much remains to be done.

This year the Navy has begun buying extra plane engines on the basis of having a 150-day supply in the pipeline; previously, it insisted on a 210-day supply. Though the shorter cycle would save millions, it took the General Accounting Office, Congress' spending guardian, two long battles to get the Navy to change.

Attempts to standardize military footwear have so far eliminated 752 different types and finishes, but 339 types remain. Pentagon experts recently attempted to prescribe a black low men's shoe as standard for all services. The Marine Corps insisted on keeping its mahogany shoe because it matched the bill on the Marine caps, and the Navy insisted on keeping a brown shoe for its fliers because it has been traditional—ever since late in World War II.

MANY ITEMS DIFFER ONLY SLIGHTLY

Over 1.3 million common supply items, according to congressional investigators, differ among the services in such relatively minor respects as color, finish, or even just names. Defense officials estimate they could save about $1 million a year in management expenses alone—not counting procurement savings from placing larger consolidated orders—for every 1,000 items eliminated from the supply system.

The Defense Department has been ballyhooing its single manager system as the answer to many of its buying problems. Under this system, one service buys all supplies of one kind for all the services; the Navy does all the fuel purchasing, for instance. But management experts say it's only a step in the right direction.

For one thing, the Pentagon is installing the system very slowly; seven supply categories were put under single managers in 1955 and 1956, but only two more minor categories have been added since then. More important, though, the single manager has authority only to consolidate and place the orders he's given. He has no power to standardize equipment, redistribute excess stocks, or cut back orders.

"If we can extend its use, and raise it to a higher level of command where it can really accomplish more, the single manager system might some day pave the way for a separate single supply service," one would-be reformer wistfully asserts.

FRINGE BENEFITS

Perhaps one of the touchiest areas of theoretical saving in the entire military establishment is the vast number of "fringe" benefits which military personnel now enjoy. Many have grown out of all proportion to the original intent, and now seem beyond uprooting.

Commissaries are a prime example. These food supermarkets were supposed to be set up where there were no private facilities selling at reasonable prices convenient to the post. Now there are over 250 commissaries in the continental United States, many in cities such as Washington and New York.

The right to buy there is now extended not only to people living on the posts, but to military families off the post, reserve and retired personnel, and Public Health officials. Less than 20 percent of the people holding permits to buy at U.S. commissaries now live on the base where the store is located. In Washington, customers at the Walter Reed Army Hospital commissary include such off-base types as a National Institutes of Health neurologist and a World War II Navy nurse, now a reservist, who is the mother of seven children and extremely unlikely ever to return to active duty.

The Government not only employs 9,000 people to man the commissaries, but supplies the buildings, equipment, light, heat and other services. The customers pay only the original cost of the food, plus transportation charges, and a highly inadequate 3 percent markup to cover all else. Military experts figure the annual running subsidy is $75 million, not counting depreciation on the buildings and equipment.

The Government also provides medical care and hospitalization for military men and their dependents, including veterinary care for pets; a retirement plan completely Government-financed; quarters, often including all or much of the furniture; in many areas, free libraries and even bus service to public schools; in many cases, subsidized laundry service; free personal travel on military planes and ships if space is available; and burial in Government-owned cemeteries, including plots for pets.

"The military life," comments one administration official, "is marked by growing socialism and paternalism, literally from the cradle to the grave."

Mr. GRUENING. It is difficult to understand the performance of this administration. Two years ago, it insisted that the strategic and military importance of Alaska was so great that virtually the northern half of Alaska—the entire area north of the Yukon and Porcupine Rivers, and some to the south of it, including most of the Alaska Peninsula and the 900 miles of Aleutian Islands—had to be set aside as an area which could be withdrawn wholly or in part for defense purposes. This is an area of over 225,000 square miles, an area larger than California, and almost as large as California and Oregon combined.

I have here in the Chamber a map which I borrowed from the office of my able colleague [Mr. BARTLETT], which shows the Eisenhower line dividing Alaska practically in half. All that area above the red line is the area which the President insisted must be withdrawn for defense purposes, and that unless such a provision were included in the statehood bill he could not approve the bill. I call the attention of my colleagues to the tremendous extent of that area.

Alaskans, and the Alaska delegation, saw no justification for this proposal, but were told officially that this would be a prerequisite to getting Presidential approval of the Alaska statehood bill. So we agreed, and section 10 and subsections A, B, C, D, and E thereof of the statehood act provided for the drawing of a so-called Eisenhower line, ostensibly in the interest of national security, in this strategic area. There has been nothing like it in previous American history. The constitutionality of this provision was challenged during the Senate debate on the statehood bill. But these objections were overborne by the assumption that such a huge potential excision from the 49th State was deemed indispensable for the future security of our Nation by the Commander in Chief. Now, in effect, the offensive and defensive strength of northern Alaska is to be largely withdrawn.

How can these two contradictory actions of the Eisenhower administration be reconciled? Let us not delude ourselves that Alaska is now adequately defended. It is not. It can become another Pearl Harbor. A few months ago, our excellent theater commander in chief of the Alaskan command, Lt. Gen. Frank Armstrong, called attention to the total lack of missile bases in Alaska. He felt so strongly on the subject that he expressed this view publicly. But his warning and plea were ignored by the administration. The Pentagon informed us the other day that he was not even consulted about this latest proposed slash in Alaska's fighter strength.

Mr. President, since the discovery by the Russians of our observation plane on its espionage mission, and the announcement by the administration that we intend to continue to send planes into Russia on spying missions—a statement made by the Vice President over the weekend, but later countermanded by the President—there is no reason to assume that the Russians will not do likewise.

As a matter of realism the administration might reverse its stand again. Why should they not if they can get away with it? And why should they not add this form of spying to the other forms they practice, since the United States has done it and proposes to continue to do it? However, when Russian planes come into northern Alaska on spying missions, the fighter strength to bring them down will have been abolished. Nor are there any missile installations there to protect us against such espionage from the air or the offensive sorties which may follow.

Twenty-five years ago a great and courageous Army officer, a pioneer flyer, the late William "Billy" Mitchell, testified before a House Committee on Military Affairs:

> Alaska is the most central place in the world for aircraft and that is true either of Europe, Asia, or North America. I believe in the future he who holds Alaska will hold the world, and I think it is the most important strategic place in the world.

Billy Mitchell's great wisdom about the importance of aircraft in war was scorned at the time by the high military commands of both the Army and Navy. Indeed Billy Mitchell, for his vision, for his courage, and his unflinching determination to safeguard the military strength of our country, was crucified on what we might call a cross of brass. He was, in fact, cashiered and driven out of the Army. But after his death, his vision about the importance of the airplane as an instrument of combat came to be appreciated. The high command of that day was proved wrong. It was wrong, however, at a time when the consequences of its shortsightedness and its wrongness were not as they are and could be now. We did not then face a ruthless, determined, and unprecedentedly powerful totalitarian enemy which makes no secret of its purpose to conquer the free world and to substitute its Communist way of life for ours. Our relations with Russia, which have never justified the slightest letdown of our guard, are moreover further strained by the recent U–2 episode and what has since developed in Paris.

Nor was Billy Mitchell's wisdom about the strategic value of Alaska appreciated, despite the pleas of Alaskans, notably those of our late Delegate in the House, Anthony J. Dimond, and, consequently, Alaska's defenselessness caused it to be the only area in North America during World War II that was invaded and for a time held in part by the enemy. There was some subsequent improvement thereafter in Alaska's defenses, notably because of Alaskans' protests, including the protests of our succeeding delegate in the Congress, my present colleague [Mr. BARTLETT], but for a long time the inadequacy of Alaskan defenses continued, and they have never been adequate. As General "Hap" Arnold wrote in his book, "Global Mission":

> Through to this day, Alaska has never received the attention in national defense planning that it deserves.

And further:

> Alaska had always been and no matter what happened in any theater of war, always remained, to me privately, a high priority. But we were never able to get the money or allocations for the air force that we really needed there to give us the kind of bases we required then—and need more than ever now.

Those words, although written 11 years ago, are certainly no less and possibly more true today.

Mr. President, there was, as I have said, for a time an improvement in the defenses of Alaska, but they have never been sufficient. At the same time, we have been spending billions of dollars on bases all over the world. Many of these are, figuratively speaking, built on quicksand. Some of them we hold at the dubious pleasure of dictators. And even in the free world, our tenure of some bases, which have cost billions of dollars, is most uncertain. I do not wish to embarrass the administration by citing these examples specifically, as I could, or going into detail about some of the strategems and the expenditures—if we can use that polite euphemism—which have had to be employed to persuade other governments to permit us to keep our bases within their borders. By contrast what we build in Alaska, on American soil, is not built on political quicksand, not amid peoples of doubtful sympathy with our cause, not in areas subject to the dangers of subversion and sabotage, not in countries whose tolerance of our presence must be ever reconfirmed and rebought, but instead is built on the solid rock of American terrain, amid an American population militantly loyal, patriotic, and alert. So we have just another example of this Administration's double standard, which I have pointed out repeatedly in other aspects of the so-called mutual security program. While we spend lavishly abroad on establishments of dubious validity and permanence, we are jeopardizing security within our own borders, to the detriment of our safety and of our economy, by a budgetary policy that is the height of folly.

To return to the latest blow at our actual defensive strength in Alaska, there are some strange contradictions and anomalies in the Air Force's action.

Testifying before the Subcommittee on Military Construction of the Senate Armed Services Committee as recently as April 13 last, less than 1 month after which we were told of the liquidation of the entire fighter force at Ladd Air Force Base, Under Secretary Charyk testified that subsequent to the Air Force submission of its fiscal 1961 construction program, major changes in the previously programed air defense system were approved, and he named three necessary revisions. They were, first, a more timely completion of an improved defense against air-breathing enemy weapons; second, an acceleration of systems designed to provide ballistic missile warning; and, third—and kindly note this, Mr. President—an improved deterrent posture.

Just how is our deterrent posture, which Under Secretary Charyk says is one of the Air Force's objectives, improved by the elimination of the entire fighter force north of the Alaska Range, and nearly 50 percent of our total fighter force in Alaska—for at Elmendorf Field, 300 miles to the south, is the balance of our Alaska fighter force consisting of 33 fighters?

And even more amazing—in view of the Air Force's proposed action—is the statement, a few sentences later, by Under Secretary Charyk, to be found on page 319 of the printed hearings:

> To complete the picture, we also plan a revised and improved fighter-interceptor force.

Just how is the total elimination of our fighter force at our northernmost airbase and nearly half of Alaska's present total fighter force, a revised and improved fighter-interceptor force?

Either Under Secretary Charyk had adopted "Newspeak," in which words mean the opposite of what they say, or a fundamental change in Air Force program and policy had again occurred in the less than 30 days between Under Secretary Charyk's appearance before the committee and our delegation's visit to the Pentagon on May 10. The Nation is entitled to an explanation of a defense policy that is so radically changed within a few weeks that it is changed once after the submission of the 1961 construction authorization program and changed again after that program is testified to before the Senate committee.

Moreover, later that same day, April 13, just a little over a month ago, Colonel Parkhill, presented by General Curtin as the Air Force spokesman for the line items, testified as follows:

> The Alaskan Air Command is responsible for providing early warning in the Alaskan area in case of attack against the United States. It is also responsible for the air defense of Alaska, and furnished operational and certain logistical support for the Strategic Air Command, the Military Air Transport Service, the Command of the Alaskan Sea Frontier, and the U.S. Army. To provide for the accomplishment of these missions, the command supports three major operational bases, Eielson, Elmendorf, and Ladd.

So, less than a month earlier, Ladd Field was referred to as one of the three operational Air Force bases in Alaska, but now it is reduced to an aero medical laboratory, a hospital, and some housing which it is hoped the Army in Alaska may be induced to occupy, although its forces are not to be increased by a single soldier.

Mr. President, even before the world-shaking events that have come to us from Paris, even before the prospects of improvement in international tension had been rudely shattered at the summit, the discussion on the floor of the Senate last Friday, in connection with the adoption of the military construction bill, shows how little justification there was for these rapid changes by the Air Force. Let me point out that in the new authorization for the military construction program totaling $1,074 million, the Air Force received well over half—some $726 million—far more than the Army, Navy, and other parts of the Defense Establishment received.

The able junior Senator from Mississippi [Mr. STENNIS], chairman of the

subcommittee of the Armed Services Committee, who is in charge of the bill, stated:

Prior to the time the committee could complete consideration of the bill * * * the Department of the Air Force again drastically revised its air defense planning, although no testimony had been presented to indicate any major change in the air defense threat since the submission of the revised plan in June 1959.

And Senator STENNIS added:

The committee has not been able to reconcile the cancellation of these long-range ground-to-air defense missile sites located on the perimeter of our country while continuing those of shorter range primarily designed for last-minute protection of our cities and military installations.

And he says further:

Most of us felt all the time that too much money was being put in ground-to-air missiles at the expense of the affirmative or purely offensive weapons.

In view of all this, and much else that I will not bother to repeat, for it can be found in the CONGRESSIONAL RECORD of last Friday, Senator STENNIS reported that the committee has requested that the revised air defense plan be again reviewed in detail by the Joint Chiefs of Staff and the Secretary of Defense.

And finally, Senator STENNIS said—and this was last Friday:

The committee is still very uncertain as to exactly what the present situation is and certainly dissatisfied with the situation in its present state.

I do not wonder that it is dissatisfied. The entire Congress and the American people should be dissatisfied.

Still later in the discussion, our distinguished colleague from the State of South Dakota, FRANCIS CASE, a member of the committee, gave his view that the bill—to quote his words—is "to some extent, out of date"; and he stated that this was the case "because our military posture has been built around certain deployments abroad and because the present situation inevitably will affect the availability of some of the bases and fields that have been developed."

Senator CASE was referring to the consequences of the discovery of the U–2 mission over Russia. But his comment took place before Nikita Khrushchev had virtually ruptured his relations with the President and with the summit meeting.

If the military situation in regard to the Air Force was cause for dissatisfaction on the part of the members of the Armed Services Committee last Friday, there is infinitely more cause for even greater dissatisfaction and for immediate revision, and revision upward, now.

Mr. President, we do not, to date, know what foreign bases the United States will be allowed to retain by the government of the countries in which they are located. We do not know whether our bases ringing Russia from which our spying missions have originated will be permitted to continue. But the one thing that we can be certain of is that whatever bases, whatever offensive or defensive strength we have in Alaska, will continue, if only our military have the vision and understanding to reverse their incredible latest decision. Indeed, they should not merely carry out the plan of a month ago of replacing the 25 F–89 fighters at Ladd with more modern fighters, but actually by adding to the present fighter strength additional fighter planes.

I call upon the Armed Services Committees of both Houses and the Appropriations Committee immediately to look into this situation and to insist that the Air Force, at the very least, reverse its position and restore the fighter squadron to the northernmost American air base and the American air base nearest to Russia.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point in my remarks, the story of our meeting at the Pentagon with the Air Force officials, as published in the Anchorage Daily Times, and written by Mr. A. Robert Smith, its Washington correspondent, as well as two editorials from the Fairbanks News-Miner, from the issues of May 12 and May 13, respectively, entitled "Is Now the Time To Reduce Our Defenses?" and "Are We Expendable?" a letter from Gov. William A. Egan to the Secretary of Defense dated May 14, 1960, and the first page of a newsletter by Mary Lee Council, administrative assistant to my colleague, which summarizes the situation as he saw it coming from the Pentagon.

There being no objection, the articles, editorials, and letters were ordered to be printed in the RECORD, as follows:

[From the Anchorage (Alaska) Daily Times, May 11, 1960]

ALASKAN DEFENSES CUT; STATE SAID "NO LONGER KEY OUTPOST"—25 FIGHTERS AT LADD TO LEAVE; SOLONS SHOCKED

(By A. Robert Smith)

WASHINGTON.—Air Force officials have bluntly told the Alaska congressional delegation they no longer regard Alaska as a key defense outpost of the free world.

This was revealed today at a press conference held jointly by Senators BARTLETT, GRUENING and Representative RIVERS to disclose the outcome of a lengthy meeting they had late yesterday at the Pentagon. They disclosed that:

1. The 25 fighter-interceptor aircraft of the 449th Squadron at Ladd Air Force Base will all be removed from Alaska, starting in August and ending by January 1.

2. The Army may take over use of Ladd, but this will not mean any increase in Army strength in Alaska, only some shifting.

3. There is no plan for the Defense Department to build offensive or defensive missile bases in Alaska as was urgently recommended last year by Lt. Gen. Frank A. Armstrong, the Alaska commander.

4. The upshot of these developments is that Alaska's defensive strength will be reduced 25 percent, according to Gen. Curtis LeMay, deputy chief of staff.

But BARTLETT contended it means a reduction of nearly 50 percent, inasmuch as the cut of 25 fighters at Ladd leaves only 33 fighters in Alaska, all based at Elmendorf Air Force Base.

5. When asked by GRUENING whether he didn't agree with Gen. Billy Mitchell's estimate of the strategic importance of Alaska for defense, LeMay replied: "Frankly, no."

BARTLETT termed these disclosures "dreadfully shocking" considering the state of world affairs.

"Peace hasn't been established with Russia," he added.

GRUENING and his colleagues vowed to oppose these plans by attempting to arouse public and congressional sentiment against them, but they indicated little hope of success in overturning this military decision. The verdict has been made, the military officials said.

"This is obviously an economy move," observed GRUENING, "directed by the Bureau of the Budget." When he asked why they didn't cut out fat and waste instead of reducing strength, LeMay said he "didn't think the American people wanted to cut out fat."

In support of its supposition that this was an economy move, the delegation noted that not long ago the Air Force announced it would substitute a superior, faster aircraft, the VooDoo, for F–89 fighters at Ladd which are becoming obsolete.

This indicated to the Alaskans that up until recently it was thought militarily wise to give Alaska improved interceptors, but that now it is no longer necessary to have them at all.

This unexplained shift was thought by the delegation to have been forced by budgetary limitations which caused the Air Force to take its choice rather than to deploy as much strength as it might have wished.

LeMay said the Air Force constantly bucks up against resistance to reducing its operations by congressional pressure such as the Alaskans put on, reported Gruening, inferring the General presumed they were interested only in the effect of the cut on the economy of Fairbanks.

"It isn't just the money, it's that those people are awfully close to Siberia and they are bound to get uneasy," said BARTLETT.

Withdrawing the squadron will reduce the military personnel by 500 officers and men, plus supporting civilian employees. The delegation said it would have hurt the Alaska economy and the morale of all Alaska.

BARTLETT reported the Army is still studying the possibility of using Ladd, but no decision is expected until July 15. The Air Force plans to continue using some of the housing at the base for personnel at Eielson Air Base, 26 miles away, because Ladd's facilities are superior. The Arctic Aero Medical Lab at Ladd will not be affected.

The Alaskans were visibly incredulous at the news they were bluntly handed by the Pentagon, and particularly by the expressed attitude of LeMay, the tough, cigar-smoking former commander of the Strategic Air Command.

RIVERS said he pointed out Armstrong had feared the threat of 27 missile bases Russia had built in nearby Siberia. LeMay, he reported, said he didn't think Russia is doing much there. Asked what they thought LeMay meant, BARTLETT blurted out:

"God knows what he meant by anything he said."

BARTLETT recalled Armstrong's plea for missiles and more defense for Alaska. He said LeMay brushed it off as just the desires of a theater commander who had been overruled.

Was Armstrong consulted about the wisdom of the elimination of 25 fighters?

"Probably not," BARTLETT quoted LeMay as answering.

How will the mission of the 449th Squadron be handled after its removal?

"We can operate from the U.S. west coast with long-range airplanes just as well as from Alaska," BARTLETT quoted LeMay as saying.

LeMay was asked what he thought would happen if Soviet bombers came over Alaska, as Armstrong envisioned in a public speech last year in which he said the Russians could knock out Alaska and move on to hit deep into the interior of the other States.

LeMay was reported to have replied he didn't think Soviet attacking aircraft would strike the United States via Alaska. He said that would be foolish because they would risk earlier detection on that route, presumably by the DEW line radar network.

BARTLETT said LeMay stated he thinks Eielson, the base from which SAC bombers are ready to strike back if necessary, is now of subordinate importance if Alaska is not of great importance any longer in the defense strategy of the United States.

GRUENING observed with irony that the White House just a few years ago thought Alaska so important for defense that it insisted that the whole northern section be set aside for possible military use as a condition for granting statehood.

BARTLETT observed, "This process of whittling down Alaska's defenses" has been underway for several years, bit by bit.

GRUENING also questioned the wisdom of cutting back on domestic bases while depending upon bases in foreign lands where America may have only a tenuous hold. He said LeMay brushed this off by saying that foreign bases were important.

LeMay also told the delegation he thought conditions were unfavorable in Alaska for military operations because the weather goes down to 60° below zero and the transportation costs are unusually high.

GRUENING scoffed at both contentions. He noted that when Alaska Steamship Co. recently announced increased freight rates, Alaskans were unable to get the armed services to join them in protesting this increase.

BARTLETT, a member of the Senate Armed Services Committee, was particularly disturbed by these developments. Last fall he toured military bases along the Pacific rim from Alaska to Japan and returned convinced that U.S. defenses needed boosting rather than reducing. His pleas to that effect have fallen on deaf ears here.

[From the Fairbanks (Alaska) Daily News-Miner, May 12, 1960]

IS NOW THE TIME TO REDUCE OUR DEFENSES?

Yesterday's News-Miner had two front page headlines: "Military Cuts Strength Here," followed by "Khrushchev May Not Want Visit From Ike."

The first headline preceded an announcement by Gen. Curtis E. LeMay, Vice Chief of Staff of the U.S. Air Force, that one of the two fighter squadrons stationed in Alaska would be eliminated within the next few months; that before the year is out, the 449th Fighter Group, manning America's and Alaska's farthest north defense post, will move south.

The fighter base closest to Russia will be abandoned as a fighter base. America's first line of defense will retreat southward several hundred miles.

Ladd Air Force Base, home of the 449th, and Ladd's host city of Fairbanks will no longer be the first line of defense.

Result of this action, in plain language, is that Ladd and Fairbanks will be left as sitting ducks out in the middle of no man's land, between the Soviet armed forces concentrated in strength a relative few miles north and west, and America's shrunken farthest north defense post at Elmendorf Air Force Base to the south.

It is ironical that on the very day announcement is made of America's first-line defense post is to be wiped out, Soviet Premier Khrushchev baldly indicates a worsening relationship with the United States with a clearcut insult to President Dwight D. Eisenhower.

Taking into account Premier Khrushchev's current statements, circumstances would seem to indicate strengthening of our defense posts closest to Russia as the Soviets maintain their belligerent status.

Public announcement America is cutting defensive strength of Alaska's formidable air patrol in the far North hardly seems the most effective way to soften Russia's present hard-nosed belligerency. Why should the bully slow his blustering when his proposed opponent is running away? Is blustering Khrushchev going to be intimidated when he sees our air defense retreating several hundred miles? We think not.

In yesterday's announcement, General LeMay, longtime plain-talking boss of SAC, Air Force offensive arm, took a position diametrically opposed to many other able top Air Force commanders. From the time of Gen. Billy Mitchell to today's Alaska top commander, Lt. Gen. Frank A. Armstrong, Alaska has been given top priority in world air strategy.

General LeMay's present position appears to be a casual writeoff of Alaska's strategic importance in defense of the United States.

We disagree with General LeMay.

We particularly disagree when results of his decision will not only reduce defensive strength of America's first line of defense by approximately 50 percent, but will in the process leave Fairbanks and Ladd Air Force Base sitting out in the middle of no man's land like ducks in a shooting gallery.

[From the Fairbanks (Alaska) Daily News-Miner, May 13, 1960]

ARE WE EXPENDABLE?

Gen. Curtis LeMay, Deputy Chief of Staff of the Air Force, would have us believe that, militarily, Alaska is expendable.

He is quoted as saying that Alaska is no longer of great importance in the defense strategy of the United States. This statement was given to Alaska's congressional delegation in justification of the Air Force's plans to cut the strength of Ladd Air Force Base by withdrawing the 449th Fighter Interceptor Squadron.

The action comes at a most inopportune time—a time when world tensions have reached a high peak—a time when every facet of defense needs strengthening instead of weakening.

It is hard to believe that General LeMay's dogmatic view on Alaska's strategic importance is shared widely in military circles.

Starting with Gen. Billy Mitchell's evaluation of the importance of Alaska as key to the continent's defense to similar views expressed more recently by Lt. Gen. Frank A. Armstrong, Alaska's present military commander, Alaska's vital role in the military picture has never been minimized.

On March 17, 1958, Franklin L. Orth, Deputy Assistant Secretary of the Army told the Anchorage Chamber of Commerce he considers Alaska "the keystone in the arch of our defensive system."

Orth added: "Alaska has now become the strongest defensive link in our outpost of freedom."

Lt. Gen. J. H. Atkinson, formerly commander in chief of the Alaskan command, told the Alaska Chamber of Commerce: "As we all know, Alaska is an outpost of our continental defense, and I cannot overemphasize its importance in the strategic picture. It is a shoulder of the Polar Basin, that most critical area which separates us from Siberia and from the heartland of Russia itself."

In a later speech, General Atkinson declared: "It is logical to assume that if Alaska is a desirable location strategically from which to fly manned aircraft against enemy targets, it will be an equally desirable strategic location from which to launch unmanned aircraft—namely, missiles."

General Atkinson based his remarks on the contention that range will always be an important factor in that it is cheaper to send an aircraft or missile 500 miles than 5,000 miles.

It is even more surprising and shocking as Senator BARTLETT says—that after all these views on Alaska's value to American defense from responsible military leaders we are told that Alaska is expendable.

It is even more surprising and shocking for taxpayers in Alaska and elsewhere to be told that the millions of dollars spent to construct strong military outposts in Alaska are now construed to be in vain and useless.

We are not military men, nor have we made a thorough study of military concepts and strategy. Yet we cannot see the wisdom of weakening and neutralizing the one American State which is closest to America's greatest potential enemy.

We cannot see the wisdom of deciding that more than 200,000 Americans in America's largest State are expendable and apparently to be left without adequate defenses.

We wonder if the Russians would apply the same sort of thinking to the vast reaches of Siberia, the Kamchatka Peninsula or other key points in their defense system?

We still believe—and we are convinced our view would have firm support in military circles—that Alaska is a highly important segment of our national military picture. We believe that from a standpoint of continental defense, our Government should retain Alaskan defenses at a high level. We believe that instead of stripping Alaska of her defenses, these changes should be augmented with both missiles and aircraft.

America's national security should not be sold down the river so casually.

To weaken Alaska now would be to create an inviting "Pearl Harbor" which would prove extremely tempting to our potential enemies, and harmful to our national security.

Is Alaska expendable? We must disagree most emphatically with those who feel it is. Alaska is not only not expendable—it is America's most important shield against an aggressor.

Loss of Alaska could prove a crippling blow to the entire defense of America.

STATE OF ALASKA,
Juneau, May 14, 1960.

Hon. THOMAS S. GATES, Jr.,
Secretary of Defense,
The Pentagon, Washington, D.C.

DEAR MR. SECRETARY: This is to protest, in feelings stronger than words can convey, the recently disclosed decision of the Air Force to deactivate the 449th Fighter Interceptor Squadron at the Ladd Air Force Base.

I do so because of my deep concern with the effect of this reduction, predicated, apparently, solely on budgetary considerations, upon the Nation's defenses.

It is my understanding that the 449th represents more than 40 percent of the existing fighter strength in Alaska. With its departure, Alaska—the first line of resistance in event of attack—would be left with a defending force of 33 fighter planes.

For many months it has been public knowledge that the Russians have more than two dozen bases along the coast, which could easily be reached by medium-range ballistic missiles. Military officials familiar with the situation have implored that offensive ballistic missile sites be constructed in Alaska.

Instead of strengthening Alaska's already inadequate defenses, however, the military has followed a policy of steady retreat. First Nome, then the Aleutian Islands have been abandoned, ostensibly in line with the so-called heartland concept. Now, apparently, this concept, too, has been abandoned, and the few thousand military personnel remaining in Alaska, not to mention the residents of an integral part of the Nation, are to be considered expendable.

There is to my mind a glaring lack of evidence that either the United States or Russia is now prepared, or will be prepared for some period of time, to conduct a push-button war.

To contend that the role of the Air Force can be conducted as well from the west coast as from Alaska—a theory attributed in news reports to Gen. Curtis LeMay, Air Force Vice Chief of Staff—is contrary to all reason.

Millions of dollars have been spent in Alaska and across northern Canada in the construction of warning systems premised on the knowledge that additional minutes would be gained to prepare for an aggressor. Now, in this latest reversal of form, the Air Force would cut back by more than 40 percent the very interceptor units that could gain additional precious minutes for preparation.

Is it a far-fetched interpretation of General LeMay's theory to suggest that the American people should now prepare themselves for word that the United States is withdrawing its forces from West Germany because they are too close to East Germany? Under this premise, could not the aerial strength stationed throughout Europe operate just as well from the east coast of the United States?

I do not intend to dwell on the fact that this announced reduction in deterrent strength comes at a time when Premier Khrushchev is daily giving forth with ever more menacing threats of attack against nations whose bases are used by the United States in spy missions which the President has stated publicly will continue. Are these statements a mere bluff, or do they reflect intent? I would not presume to know the answer. I know only that it would appear to be a most illogical time to slash the strength of the defensive forces closest to the probable line of attack.

Nor have I dwelt upon the undeniably crippling effect which such a drastic curtailment will have on the economy of the nearby city of Fairbanks, although it will be extreme.

I know I speak for the majority of Alaskans when I say we are appalled at the apparent disregard reflected by this decision not only for the safety of Alaska but of the United States. In the light of the present condition of those defenses, as well as world tensions, such a course of action appears foolhardy, if not irresponsible.

This then is to strongly request your early action either to revoke the Air Force decision in event it has not come before you, or to reconsider that action in the light of its dangerous and demoralizing implications.

Sincerely,

WILLIAM A. EGAN,
Governor.

LADD AIR FORCE BASE

(Washington news letter by Mary Lee Council, administrative assistant to Senator E. L. (BOB) BARTLETT, May 13, 1960)

In a week which had President Eisenhower stating that the secrecy policy of the Soviet Union makes it essential that we watch that country every way we can and that in Russia a large-scale surprise attack could be launched and we must guard against this in every feasible way, the Alaska congressional delegation was told by Air Force officials that the only fighter-interceptor squadron north of the Alaska range would go out of existence in August of this year.

In a meeting with Under Secretary of the Air Force Joseph V. Charyk, Gen. Curtis E. LeMay, Air Force Vice Chief of Staff, and other officers, Senator GRUENING, Representative RIVERS, and Senator BARTLETT were advised that rumors which had been gathering strength recently that the 449th Fighter-Interceptor Squadron at Ladd Air Force Base was pulling out were true. This means that some 500 military personnel will depart, leaving as Ladd's Air Force mission a hospital, an air medical laboratory, and a weather reconnaissance squadron.

The action, which the Air Force has taken, is based, the Alaska delegation was told, on factors involving high transportation costs, bad conditions making it difficult to operate in low temperatures, and other expenses of operation.

The strategic position of Alaska was downgraded by General LeMay in responding, "Frankly, no," when Senator GRUENING asked him if he didn't agree with Gen. Billy Mitchell's estimate that Alaska's geographical position was of high strategic importance. General LeMay also said he thought Eielson Air Force Base was now of subordinate importance.

Senator BARTLETT recalled unsuccessful efforts made several months ago to place missiles in Alaska when Alaska's commander in chief of the Alaskan Command, Lt. Gen. Frank A. Armstrong, Jr., urged their installation in pointing out that some 27 Russian bases exist in Siberia. At that time, General LeMay stated that the Strategic Air Command could operate from the west coast with long range airplanes just as well as from Alaska, a statement which he repeated in the meeting this week. This is the attitude taken, the Alaska delegation pointed out, despite the fact that such flights could take several hours while fighter-interceptor planes based in Alaska could be in the air in minutes. The Alaska delegation asked General LeMay what would happen if Russian bombers came over Alaska aimed at the other States and received the reply that the Russians would be foolish to come over Alaska.

Senator BARTLETT recalled testimony given in January of this year by Gen. Thomas D. White, Air Force Chief of Staff, before the House Appropriations Committee that "the Soviet Air Force is the U.S.S.R.'s most dangerous weapon. Approximately 10 percent of its aircraft strength is in its long range air force of about 1,200 modern heavy and medium bombers." General White added that the Soviet has a "rapidly growing intermediate and intercontinental range ballistic missile force." Assuming that the threat of Soviet missiles is a growing threat, Senator BARTLETT pointed out, it is clear that the major immediate threat is that of Soviet manned aircraft and contended that reductions of the strength at Ladd would diminish this country's capabilities to deter attacks by manned aircraft.

In stating they will do everything they possibly can to ward off the action at Ladd, the Alaska delegation pointed out that no one person, civilian or military, has the answer on any possible Soviet plans and that the announced Ladd decision to diminish the military strength in Alaska because of economic reasons could be dangerous to the military security of the United States. "The decision announced this week is especially perplexing," Senator BARTLETT stated, "in view of the fact that in March we were told that 18 F–101B jets would be assigned to Ladd in April. Now we are advised they are not needed and that small groups of fighters from Elmendorf will be assigned to Ladd on a rotational basis. What this really means is that the fighter-interceptor strength of Alaska has been cut almost in half."

Mr. BARTLETT. Mr. President, will the Senator yield?

Mr. GRUENING. I yield with pleasure to my distinguished colleague.

Mr. BARTLETT. Mr. President, the apprehension and even the alarm which has been expressed by my colleague from Alaska is fully shared by me. A concern has been expressed from all sections of Alaska over the announced cut in the Alaska air defenses, and I hope that when the story has been told the entire Nation will react, because whatever weakens air defenses in the 49th State weakens the entire defense structure of the United States.

My colleague has in his informed address given an excellent statement of what has occurred. It is accurate. It reflects exactly what we were told at the Pentagon on May 10. As he states, it seems incredible even yet, because it was only last March 22 that we were informed of the Air Force decision to augment the fighter strength at Ladd Air Force Base near Fairbanks by substituting F–101B aircraft for the less modern fighters which had been stationed there. What could have happened in the interim to cause that decision to be completely reversed? Is it that our relations with Soviet Russia have taken such a decided turn for the better? There is no evidence of such improvement. In fact, there is massive evidence to the contrary.

What is happening in Alaska? Over the period of the past several years, in respect to defense, what has transpired is highly discouraging and dangerous for the security of our country. Those defenses have been whittled away piece by piece, man by man, plane by plane, until little is left.

We have a unified command in Alaska, with an Air Force officer in command of Air Force, Army, and Navy components. At the same time under the existing arrangement, that commander is not much more than a glorified housekeeper, because he does not have command over the operational situation, and is merely there, it would seem, to house and feed the men on the several bases.

As my colleague has stated, we were informed at the Pentagon a week ago today of the proposed inactivation of the 449th Fighter Interceptor Squadron, and on May 11, subsequent to our meeting at the Pentagon, a letter was delivered to each of us—to Representative RALPH J. RIVERS, Senator GRUENING, and me—announcing the decision to remove this squadron from this highly strategic Air Force base. No reason for this abrupt change was given to us, and no real reason has been given yet by anyone to anyone.

Only in January, or at least in the forepart of this winter, General White, Chief of Staff of the Air Force, testified before the House Appropriations Committee. He was queried by Chairman MAHON in these words:

> You have told us that the U.S.S.R. air power is the most dangerous weapon confronting us. Is that true as of January 1960?
>
> General WHITE. In my opinion, it is.

So the highest officer in the United States Air Force is reported as testifying before the House Appropriations Committee that Soviet air power is the most dangerous weapon confronting us.

In the face of this, the Air Force decides to reduce drastically, radically, and dangerously, the strength of the air fighter defenses in Alaska. With one exception, every high officer of the United States Armed Forces has said now and in the years gone by that Alaska is a strategic area of paramount importance and consequence in the defense of the United States.

What ought to be done—and nothing should be permitted to stand in the

way—is the building up of our defenses of all kinds. In this connection I must refer to a charge made against Senator GRUENING, Representative RIVERS, and me by a candidate for political office in Alaska, who was quoted in a front-page story appearing in the Anchorage Daily Times for May 12 as having charged us with "release of classified information by revealing the number of fighter aircraft in Alaska."

That is a most serious charge. It is most serious to charge anyone with a breach of security. I feel it is only proper that I should read into the RECORD at this point a letter from General Kingsley, deputy director, legislative liaison, U.S. Air Force, dated today:

In response to an inquiry, this is to advise you that the information which had been given you relative to the scheduled deactivation of the 449th Fighter Interceptor Squadron at Ladd Air Force Base became unclassified information as of May 10, 1960. Consequently there appears to be no security violation in your notifying the press that 25 aircraft would be withdrawn from Alaska, but that the augmented squadron of 33 planes would remain at Elmendorf Air Force Base.

In the summer of 1959 a determined effort was made by Lt. Gen. Frank A. Armstrong, commanding general of the Alaskan Command—that is the unified command—to have intermediate missiles stationed in Alaska. He made urgent recommendations, as I understand, upon that point. Those recommendations were rejected by higher authority here. Among other things, it was said that General Armstrong merely wanted to do that which is described as the ambition of every local commander, to augment his own strength and his own authority. He was accused of being almost parochial in this. General Armstrong is a distinguished officer of the U.S. Air Force. He has an outstanding record in war and in peace. I assert here that his recommendations for intermediate range missiles, for IRBM's, were made out of his sincerest conviction that this was essential, not so much for the protection of Alaska, but for the protection of the entire Nation, which he has a part in guarding.

Some very interesting statements relating to General Armstrong's desire to have missiles placed in Alaska were made in the magazine Flying for December 1959. The article to which I now refer asks this question:

Is Alaska expendable? Are Alaska's defenses adequate for its survival in case of sudden attack from across the Bering Strait? The startling reply to these vital questions came from none other than the commander of Alaska's joint services defense force, Lt. Gen. Frank A. Armstrong, Jr.

The veteran airman and air strategist spoke forcefully thus: "As things now stand, it would take only two enemy bombers to put Alaskan bases out of action. If these attacks were followed up with paratroop landings, Alaska would be lost.

"With Russians in the Fairbanks and Anchorage areas, President Eisenhower would have to decide quickly whether to bomb Alaska or leave the rest of the country open to close range attack from Red troops along the Yukon."

He followed with this dire prediction: "If Alaska doesn't get IRBM (intermediate range ballistic missiles) soon, we're going to be in one hell of a fix."

Further in the article, Mr. President, General Armstrong is quoted as follows:

As it stands today, our mission is to alarm the United States, not to defend it.

The article continues:

According to the best military analysts, the threat to this top of the world area, the growing strength of Red bases in neighboring Siberia, is such that the Red forces can well choose their own good time and method of attack. They can literally push the United States off this strategic and sensitive polar position at will, leaving its northward flank exposed and defenseless. Alaska is strategic because of its commanding location. Changing military strategy being brought about by the advent of missiles, satellites and jet transports, makes it imperative that this factor be given proper importance in Defense Department development of our pattern for security.

At the moment there are 26 bases in Siberia armed with aircraft missiles that are capable of striking at the heart of the United States from the top of the world. They are reportedly growing in strength every day.

In the event of a surprise attack, these same experts estimate that our own Strategic Air Command bomber force would be able to immobilize only eight of these Red bases leaving the rest to launch second wave destruction upon the United States.

I continue to quote from the article entitled "Is Alaska Expendable?" published in the magazine Flying for December 1959:

Again the military men estimate that the first provocation or hot war action would trigger retaliatory strikes upon all Siberian bases within 20 minutes. They say the firing of U.S.-based missiles and launching of manned nuclear bombers would require 3 to 4 hours to reach the targets—much too long to stop second- and third-wave missile or bomber assaults upon U.S. industrial centers.

Mr. President, that is why General Armstrong urged—although unsuccessfully—that IRBM's be located in Alaska. He did not want the inevitable time lag to occur in the event of war, which would occur if missiles were not available, and bombers had to fly from distant points.

I continue to read from the article:

Although the Air Force's Armstrong asks only for IRBM's and one-man bombers, others carry his appeal further by calling for intercontinental ballistic missiles (ICBM's) such as the SAC-manned Atlas and the forthcoming USAF Minuteman.

The article concludes with a searching question, the question which needs to be asked today more than ever. That question is:

Is Alaska expendable?

It may be, if the decision to deactivate the 449th Fighter Interceptor Squadron is imminent. It ought not to be. That decision should be reversed forthwith. This is more important than dollars.

A few minutes ago, I alluded to the contention made by a politician in Anchorage, Alaska, that the members of the Alaska congressional delegation had violated security. I rebutted that contention by reading a letter from Brigadier General Kingsley, which stated that the material we of Alaska's congressional delegation had given to the press last week in this connection was not classified. Additionally, the very article from which I have been quoting gave the number of fighter squadrons in Alaska; and within reasonably close limits, any spy would know the number of airplanes in a squadron. So this material was published, in effect, long since.

During our conversation at the Pentagon, my colleague from Alaska [Mr. GRUENING] referred to the Wall Street Journal article about Defense Department waste, which he mentioned in the illuminating speech he delivered only a few minutes ago. We were told by one of the participants in that meeting that actually the country does not want this waste to be stopped. It was hinted to us—or more than hinted, I should say—that our presence in the Pentagon on the mission which had taken us there was proof of this, because, it was implied, we were there chiefly—or perhaps altogether—to prevent damage being done to the economy of Fairbanks, the community nearest Ladd Air Force Base.

I resented that implication, and I resent it still. I imagine the State of Alaska will survive economically even without the presence of the comparatively few men who comprise the interceptor squadron. But it could have been, and it was, a more important, a more patriotic, and a more meaningful motive which took us from Capitol Hill to the Pentagon to seek to reverse this decision. We had in mind almost altogether the need for shoring up Alaska's defenses, instead of sitting supinely by while they were being reduced. We entertained then, and we entertain now, the opinion that our action was not only in the best interest of Alaska, but of the whole Nation, as well.

Alaska is the northern shield. If it should be taken, havoc could be wrought upon the other States by manned bombers. I submit that the Air Force decision to deactivate the 449th Interceptor Fighter Squadron is a faulty judgment, a wrong judgment, and a risky judgment. It is a judgment that should be corrected without delay.

Mr. President, it was less than a year ago that General Armstrong called for intermediate range missiles in Alaska. But now, in the spring of 1960, we discover that those recommendations have been rejected almost out of hand, it would seem; and we also discover—lamentably—that the conventional defenses shielding us from the multiplicity of Soviet bases in Siberia, which are so close to Alaska, have been diminished.

Mr. President, I hope and pray that an aroused public will demand that Alaska's defenses be strengthened, instead of being cut further.

Mr. GRUENING. Mr. President, will my colleague yield for a question?

Mr. BARTLETT. I am happy to yield.

Mr. GRUENING. Were not we told by one of the Air Force experts at the conference that, actually, Alaska could be adequately defended, in case of attack or other emergency, by planes coming from the west coast or from some of the other 48 States?

Mr. BARTLETT. That is true; we were told that defense would be easier, simpler, and perhaps better if done in that fashion. But we were not given an explanation in regard to how fighter aircraft, with their limited range, would get there.

We were also told by one participant in the conference that Billy Mitchell, Hap Arnold, and all the other high strategists in the Air Force through the years were wrong, and that Alaska is really of subordinate strategic importance.

Mr. GRUENING. If that premise of the contemporary Pentagonians were logical, there would be no reason even to keep the 33 remaining fighter planes at Elmendorf Field, near Anchorage, would there?

Mr. BARTLETT. I could not agree more fully with my colleague. If Alaska has no strategic importance, as a shield or otherwise, there would be no reason to have any military personnel or military equipment in Alaska.

Mr. GRUENING. Does my colleague believe that we would be justified in accepting the claim, as made by some of those now in the Pentagon, that Air Force bases in Alaska are of little strategic value? In other words, if it is true—as claimed by some of those in the Pentagon—that Alaska has little usefulness for either offensive or defensive bases, and that the same purpose can be adequately served by using planes dispatched from the mainland of the United States, can my colleague state why our administration has found it necessary to have military bases all over the world—in Turkey, in Morocco, in Spain, in Pakistan, in Saudi Arabia, in Iceland, in Britain, in Japan, and elsewhere—if all that might need to be done can be done from bases located in the 48 States? If that is true, what justification is there for our tremendously expensive around-the-world system of airbases?

Mr. BARTLETT. I cannot answer that question, because I departed from the Pentagon in a very high state of confusion, and I have not as yet been able to adjust myself entirely, because I kept dwelling on the fact that on March 22 we were told that new and more modern fighter airplanes were to be sent to Alaska; and we had a right to assume, and we did assume, that that was because they were needed there for the defense of Alaska and for the defense of the entire United States. But now, less than 2 months later, orders to remove the entire squadron have been issued. I cannot understand it.

Mr. GRUENING. Does my colleague believe the relationship of the United States with Russia has improved greatly since the time—30 days ago—of the decision to base those better and faster fighter planes in Alaska, and the decision, last week, not to have any of our fighter planes at all based there?

Mr. BARTLETT. Most regretfully I say that every bit of evidence which has accumulated during that period is to the contrary. Indeed, the evidence of the last 48 hours in this regard is as tragic as it is disconcerting.

Mr. GRUENING. I thank my colleague.

Mr. BARTLETT. Mr. President, I yield the floor.

LEGISLATIVE PROGRAM

Mr. MANSFIELD. Mr. President, I wish to notify the Senate that there will be at least one yea-and-nay vote today, and there may be others. So I express the hope that the attachés of the Senate will notify Senators on both sides of the aisle accordingly.

RIOTS AT SAN FRANCISCO HEARINGS OF HOUSE SUBCOMMITTEE ON UN-AMERICAN ACTIVITIES

Mr. THURMOND. Mr. President, on Saturday, May 14, I was in San Francisco, Calif., where a sorry and distressing spectacle occurred. A subcommittee of the House Committee on Un-American Activities was holding hearings in San Francisco, as a part of its continuing effort to document the activities of Communists and subversives in our country. During the course of the hearings on Friday, there was a riot; and strenuous efforts by the police were required, in order to subdue the riot. Sixty-four persons were arrested.

The persons who participated in that riot were, for the most part, students. Undoubtedly, the riot was inspired and incited by Communists or fellow travelers. That display was a sad commentary on the lack of self-discipline and moral training of the young people involved. It also illustrated the degree to which enemies of our Government, whether they be Communists or fellow travelers, are distorting American concepts and are twisting and warping the minds of many of the young people in the United States.

Mr. President, that incident should serve to impress on our minds the fact that Communist efforts to misdirect and mislead the formative minds of the youth of the United States are every bit as dangerous, if not more so, than Communist spying and espionage activities in this country. We should spare no effort to rid our educational institutions and our whole society of those who exert such un-American influences, and to counter—by our own examples and teachings of patriotism and moral stamina—such subversive efforts.

In this regard, Mr. President, I ask unanimous consent to have printed at the conclusion of my remarks an excellent editorial about this incident. The editorial is entitled "Storm Trooper Tactics"; and it appeared in the May 16, 1960, issue of the News and Courier, of Charleston, S.C.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Charleston (S.C.) News and Courier, May 16, 1960]

STORM TROOPER TACTICS

Storming of a House Un-American Activities subcommittee hearing in San Francisco by a jeering mob of 200 demonstrators is an outrage and a challenge to the authority of the U.S. Government.

We are sure that the good people of California are shocked that this Communist-style protest was directed against a subcommittee of the Congress. Who incited and organized the demonstration should be the first objective of police agencies, which should include California officials and the FBI. For years, the House Un-American Activities Committee has been a target of Communist abuse. Because this committee exposes Soviet agents and fellow-travelers, the Communist conspiracy in this country long has had abolition of the committee as one of its primary targets.

In considering the ugly attack on the subcommittee, which might have resulted in physical harm to Members of Congress, Californians should bear in mind the recent abuse heaped on the committee by U.S. Representative JAMES ROOSEVELT, Democrat, of California. He is to some degree responsible for the climate of opinion that made possible the storming of the subcommittee hearing.

Fortunately, San Francisco authorities were prompt in sending policemen to protect the congressional subcommittee, which represents the American people. But the presence of youthful stormtroopers in this great American city is a shame that distresses all patriotic citizens.

FREEZING OF ASSETS OF LOCAL 371 BY INTERNATIONAL TEXTILE WORKERS' UNION

Mr. THURMOND. Mr. President, last year Congress passed a bill in the labor-management field, for the purpose, at least in part, of insuring more democracy in labor unions. Despite the difference which existed in the Congress over the specific provisions which should be written into the act, Congress was almost unanimous in recognizing the need and desirability for individual labor union members to have more power and authority in the conduct of the affairs of their own labor organizations. It should now be obvious to all of us, as it was to some of us last year, that our legislative effort was inadequate, at best.

In today's issue of the Washington Post there appears a news article which reports that Local 371 of the AFL–CIO Textile Workers is facing expulsion from the parent union. Already the international union has taken control of the local, and has frozen the assets of the local union.

The action of the international against local 371 does not stem from any difference between the local and the international on matters affecting collective bargaining. The difference between the local and the international, on the contrary, arises from a basic difference in philosophy between the members of local 371 and the officers of the international union, with respect to the question of school segregation. The members of local 371 live in Front Royal, Va., and have expressed themselves clearly in favor of private segregated schools, rather than to submit to integrated public schools under court order. As an indication of their preference, the members of local 371 of Front Royal, Va., contributed $48,000 during the 1958–59 school year to help pay the cost of a private high school when the Supreme Court of the United States ordered the races to be integrated in the public high school.

The International Union of the AFL–CIO Textile Workers, on the other hand, is a militantly liberal organization that

has backed strongly the school desegregation decision of the U.S. Supreme Court. The international has been one of the leading advocates of immediate integration of the races in the public schools, and it has backed its advocacy both vocally and financially.

It seems to me an intolerable situation that would allow the international union under these circumstances to seize control of the local union and take over the assets accumulated by the members of local 371. I congratulate the members of local 371 of Front Royal, Va., for remaining stanch in support of their views and for their continuing support of the ideas in which they believe, despite the pressures which can be brought against them by the bosses of the international union. I sincerely hope that the local will be able to regain control of the assets of the union through court action, if necessary, and I urge the Congress to take the necessary legislative action to remove the weapon of economic control over a local by the bosses of the international union.

Mr. President, I ask unanimous consent that the article from the Washington Post of Tuesday, May 17, entitled "Front Royal Union Faces Ouster Vote," be printed in the RECORD following these remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FRONT ROYAL UNION FACES OUSTER VOTE

Members of a defiant Textile Workers local in Front Royal, Va., may soon discover that they have been spinning themselves out of their international union.

For 2 years the local and the international have been in bitter disagreement over the local's support of segregated public schools.

A showdown between Local 371 of the AFL–CIO Textile Workers and the officers of the parent union may come on Thursday in Front Royal.

If the showdown does not materialize then, it surely will develop at the union's convention which begins next week in Chicago.

On Sunday it was disclosed that the international had taken over the control of the local and frozen its assets. The local sought to use $8,000 of its funds to purchase bonds being sold by a private high school, set up following the desegregation of the Warren County High School in 1958.

The international charged the local with using union funds for a nonunion purpose in violation of the Textile Workers constitution.

The Textile Workers, a former CIO union, is a militantly liberal organization that has backed strongly the school desegregation decisions of the U.S. Supreme Court.

Local 371, which represents 2,000 workers at the American Viscose Corp. plant in Front Royal, is militantly segregationist.

When the Supreme Court ordered the desegregation of the Warren County High School in Front Royal 2 years ago, the local immediately became one of the leaders in the community's efforts to set up a private high school.

During the 1958–59 school year the members of the local contributed $48,000 to help pay the cost of a private high school which hurriedly established classrooms in five private buildings throughout Front Royal.

This year the Warren County Educational Foundation has been operating a high school in the Virginia Gentleman Restaurant and Club.

About 435 students are attending the Virginia Gentleman classes. Another 420 students are going to the desegregated Warren County High School.

Most of the cost of operating the private school is being met through State tuition grants given to students who attend private, nonsectarian institutions.

The $8,000 in school bonds which the local tried to buy would be used to help pay for the construction of a building for the private school.

The projected John A. Mosby Academy would cost $225,000. H. H. Marlow, president of Front Royal Academy, Inc., said that $85,000 in bonds already have been sold to local residents and businessmen.

Officials of neither the international nor the local union would comment yesterday on what is likely to be the outcome of the hearing on Thursday or any action that might be taken at the union's convention in Chicago.

But one distinct possibility is that the local may find itself—voluntarily or involuntarily—segregated from its international.

COMMUNITY ANTENNA SYSTEMS

Mr. PASTORE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Rhode Island will state it.

Mr. PASTORE. What is the pending business?

The PRESIDING OFFICER. The bill pending before the Senate is Senate bill 2653, a bill to amend the Communications Act of 1934 to establish jurisdiction in the Federal Communications Commission over community antenna systems.

Mr. PASTORE. I thank the Chair.

The Senate resumed the consideration of the bill (S. 2653) to amend the Communications Act of 1934 to establish jurisdiction in the Federal Communications Commission over community antenna systems.

Mr. PASTORE. Mr. President, Senate bill 2653, as proposed to be amended, places community antenna television systems—CATV's—under the jurisdiction of the Federal Communications Commission and empowers the Commission to issue requisite certificates of public convenience and necessity for the construction and operation of a CATV. In order to avoid any misunderstanding, the bill specifically declares community antennas not to be common carriers. Only the appropriate sections of title III of the Communications Act affecting regular broadcasters are specifically made to apply to the CATV's. Where it is suitable, the same provisions of the Communications Act that apply to broadcasters are made applicable to CATV's.

Generally the bill provides as follows:

First. The first subsection is an amendment to the definition section of the Communications Act defining a community antenna television system as a facility for performing the service of receiving and amplifying the signals transmitting programs broadcast by one or more television stations and redistributing such programs, by wire, to the subscribing members of the public.

Second. Section 3(h) of the Communications Act is amended by the second subsection by specifically declaring that a community antenna system is not a common carrier.

Third. Title III of the Communications Act is amended by inserting a new section 330 that is entitled "Community Antenna Television Systems."

(a) Subsection (a) of this new section specifically provides no person shall operate a community antenna television system except under and in accordance with a license granted by the Federal Communications Commission, but permits the CATV which is in operation on the date of the enactment of this bill to continue in operation until the Federal Communications Commission issues a license. The bill requires such a CATV system to file its application not later than 120 days after the bill is enacted.

(b) Under subsection (b), the bill designates the specific provisions of the Communications Act that shall apply to the community antenna system regulation. It is to be noted that section 325(a), which presently requires any broadcasting station rebroadcasting the program or any part thereof of another broadcasting station without the express authority of the originating station, does not apply.

(c) Subsection (c) is the so-called grandfather provision. It holds that the community antenna system operating on the date of the enactment of this bill shall be deemed to be operating in the public interest, and therefore entitled to a license subject to such conditions as the Commission may impose under subsection (d).

(d) Under subsection (d), a local television station assigned to a community in which a community antenna television system serves subscribers and is granted a grandfather license has 30 days within which, after the grant of a license or renewal thereof, to file a petition with the Commission requesting that the license of the CATV contain such conditions on the CATV's operation as will significantly facilitate the continued operation of a television station which is providing—and I wish to have Members of the Senate note this—the only available locally originating broadcasting program service. It should be noted that the filing of the request for imposing conditions is limited to the licensee of the television station who is concerned about the continued operation of his television station which is providing the only available locally originating television broadcast service. Procedures are established so that the community antenna system is afforded an opportunity to file a response to such petition, and that the Commission then shall determine whether, with due regard to services rendered by the community antenna television service and by the television station, the public interest, convenience, or necessity would be served by the adoption of the proposed operating conditions. If the television station or community antenna system requests public evidentiary hearings, the Commission is required to grant such a request, and, in addition, may order hearings on its own motion.

(e) This subsection would authorize the local television broadcast station to file an application requesting the community antenna television system to carry the programs of such local broadcast station which is assigned to a community in which a community antenna system operates if the Commission finds that this would be in the public interest. This subsection authorizes the FCC to promulgate rules and regulations so as to assure that reception of such programs as redistributed by community antenna television systems would be reasonably comparable in technical quality to other programs redistributed by the community antenna television system.

(f) This subsection would require the FCC to prevent, by appropriate regulations, duplication by a community antenna television system of programs of a television station assigned to a community served by the community antenna system.

Mr. President, I want Senators to remember that we are talking about community antenna systems and the only available local TV station. Those are the two standards in this proposed legislation.

This is not an important issue in my own State of Rhode Island. It makes very little difference to my State whether this proposed legislation is enacted or not. However, because I am privileged to be the chairman of the Subcommittee on Communications of the Committee on Interstate and Foreign Commerce, and because this task was assigned by my subcommittee, we held protracted hearings in order to afford an opportunity to be heard to all people concerned with the problems, with the hope of reaching some practical and reasonable solution.

I visited the various States which are affected by this situation. I want the Members of the Senate to know that this indeed, insofar as the junior Senator from Rhode Island is concerned, in fact soon became a labor of love.

Many, many parts of our country, because of topography—because of hills, valleys, mountains, and other features—contain communities which are very hard to service.

This bill is not directed in any way toward injuring CATV as such. We seek merely to place CATV systems under regulation in order to protect their rights, and also to protect the rights of the only available broadcasting station, which may perish and go out of existence unless proper reforms are taken now of a very moderate nature.

In this country there are many sparsely inhabited areas. In a valley there may be four or five farmers who live within a radius of 5 or 10 miles. These people have no opportunity to receive a direct television signal. What happens? They build a little "kitchen" booster on top of a hill. Through that medium they take the signal from the nearest local broadcasting station, which may be located miles away and rebroadcast it. That is the only opportunity they have to receive and see one signal.

What is happening now? CATV is rendering a noble service. CATV came into existence at the time of the freeze. What does that system do? It builds a large antenna and takes out of the air three or four signals, which originate miles and miles and miles away. After these signals have been captured from the air, then by a process of amplification and microwaves, the signal is moved on, finally, to a cable system which runs along a street, on a wire on the street poles, then to be brought to the individual home.

Initially a fee is required in order to install the service, and thereafter a monthly rate is charged for the use of the equipment.

This bill in no way seeks to supervise or to affect the fees which are charged. If those fees are exorbitant, if they are moderate, if they are reasonable, or if they are too low, this bill would not affect them at all. We have no interest, under the terms of the bill, of watching over the profits of the CATV systems. That is the reason why we have said expressly in the bill that this CATV system shall not be considered a common carrier, so that the system will not fall within the formula of a public utility company. That is the first point.

Point No. 2 is that we are granting grandfather rights to these systems and they shall continue to operate pending the disposition of any request for the imposition of conditions. They must serve the public interest, the public convenience, and the public necessity.

There is a case now pending in court. I want all those who are opposed to the bill to pay close attention. There is a serious question today as to whether the people who are capturing this program out of the air have a right to do so without paying for the programs. There is a serious question in that regard, and there is litigation now pending in the courts.

When the bill was originally introduced there was a provision in the bill, as there is a provision in the Communications Act, to the effect that once these systems were licensed they would have to get the permission of the people who are originating the signal. Now, that would have been quite unfair. That would actually be saying to these people, "Go back and pay for something you have not been paying for up to now." Naturally, the broadcaster who would have to be approached for permission would say, "If you are obliged to come to me to get my permission, then I have a right to charge a fee." The broadcaster could charge $1,000, or could charge $1 million if he wanted to, depending upon whether to put the CATV system out of business or to keep the system in business.

I will tell Senators how fair the subcommittee was. We thought that was an unreasonable provision at the time we considered it, so we made an exception. We eliminated it from the bill. We have said that insofar as CATV is concerned, we will not disturb the present practice. However, there is a case pending in court.

Let us assume, for instance, that these systems are not put under regulation. Let us assume that the Senate defeats the bill today. What will happen if the Supreme Court should decide that these systems have to get the permission of the broadcasting station before they can take the program out of the air? Do Senators know what will happen? There will be chaos. We will deprive a lot of people of CATV service, because the fees may be prohibitive and there will be no authority which can say, "Look, these people are operating in the public interest, in the public convenience, and in the public necessity, and you have to be reasonable as to what you charge them; otherwise you will put them out of business."

I say that is most important. When Senators begin to think of voting against the bill, I think they should consider the matter very seriously. Let me tell the Senators what has happened.

In Montana this situation became so serious that there was introduced a bill putting CATV under local statutory authority. That bill passed the house, and it passed the senate, but the Governor vetoed it.

Let me tell Senators what was done in Utah. In Utah the situation became so bad that the legislature passed a law authorizing each municipality to borrow money to set up its own television service, so that the people could get the picture free, and have the charge put on the tax bill under "Recreation."

That illustrates what is happening throughout the country. I am saying that unless something is done promptly, many of those interested people in the galleries today will be surprised. These people have barraged the Senate with telegrams. They have been coming to town in large numbers. They have been walking up and down the corridors of the Old Senate Office Building and the New Senate Office Building. They have been saying that the bill is aimed at the little fellow.

I will say this: This is a bill to protect and to help the little family, which has no opportunity to view television free.

The CATV systems are claiming they are being made the underdog in this fight. That is not true at all. We have drawn up a moderate bill. We have taken everything into account.

Let me recount how far we have gone. We asked the attorney for this association to come before our committee, and we quizzed him point by point. The Senator from Wyoming [Mr. McGEE] will subscribe to this. Finally I said, "All right; what do you want us to do with this?" I took that man through the bill point by point by point. Finally, we agreed on practically everything he wanted.

Well, these men are in the corridors today and they are saying, "We do not agree with our lawyer."

I do not like to be personal about this matter, but this problem has been pending since 1958. So far as the junior Senator from Rhode Island is concerned, the proposal does not make any difference to him or to my State. It does mean much to the little people all over the country who can get only one signal. Those are the people we are trying to protect.

What are we saying? Take a situation where there is CATV in a locality and the community is being serviced by one local broadcasting station—if there are two, the criteria about the only local live television station does not apply—that one station might go out of business if this situation is not handled correctly. When the broadcaster applies to the FCC and can show that there is a contract with the broadcasting network with an obligation to show a picture—let us say it is "I Love Lucy" or "Gunsmoke" or any picture which is desired—on a Monday night, because it is being placed on a film, if the CATV system is taking this picture out of the air on Sunday night for broadcast on Sunday, we simply say this is unfair competition and the question of duplication is then raised.

This duplication should be avoided. There are two other channels available. Let them have three signals. In that case, why not wait until Monday night to show a picture which is going to be shown by the local station on Monday night? If the viewers do not like it, they can still turn off that channel and turn on either of the other two channels. That is all we are asking them to do. Yet these people are walking through the corridors of the two Senate Office Buildings trying to tell us we are attempting to put them out of business. What the bill does is to save that only existing local originating broadcasting station. It does not go much beyond that.

I have talked with many CATV owners. They come in to me and say, "We want to be under Federal regulation," but when the matter is investigated, we discover they do not want to be regulated. After all, if they are to be regulated, certain rules must be followed. This, I repeat, is a very modest, a very moderate, and what I consider to be a very fair bill.

I repeat that it makes no difference to the State of Rhode Island, but it makes a big difference to the State of Colorado. It makes a big difference to Arizona.

Let me state what will happen in Arizona. There are four commercial broadcasting stations in Phoenix, which is more than a hundred miles from Yuma. Yuma has one local broadcasting station. There is an hour's differential in time between Phoenix and Yuma. I ask the Senator from Arizona [Mr. HAYDEN] if that is correct?

Mr. HAYDEN. That is correct.

Mr. PASTORE. The local Yuma TV station must get its program from California and pay for it, but it gets the program an hour later than does Phoenix.

Unless these two systems are brought together on the one program which is to be shown at Yuma before the CATV program is brought in, the local broadcasting station will be showing yesterday's news. Who wants to see "Gunsmoke" on Monday night if he can see it on Saturday night? That is what it amounts to. All we are saying in that particular instance is that through the rules of the FCC—and everything is to be done through the order of the FCC—duplication must be avoided of the local picture, if it is in the public interest. This is necessary so that the local station will not vanish, and so that these little people will still have their one little signal, and will not have to throw their television sets into discard.

That is all we are doing. I submit to the Senate that we could not be any fairer than we are, and any attempt to defeat this legislation at this time would do irreparable harm to many little people, none in Rhode Island, but located throughout the Midwest.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. PASTORE. I yield to the Senator from Montana

Mr. MANSFIELD. I should like to ask some questions, but before I do so I should like to state that I was engaged in a colloquy with the distinguished minority leader last Friday, at which time he asked me what the schedule for this week would be. I told him I thought we would bring up the CATV bill, the Stella bill, and another bill which the majority leader had previously announced would be considered shortly. The minority leader asked that the CATV bill not be brought up on Monday. I replied, "Fine, we will bring it up as soon thereafter as possible."

On Saturday I received many telegrams from the State of Montana, 12 of which I have here, all identically worded, from my hometown of Missoula, Mont. I almost put them in the RECORD, but I do not believe I shall do so, because I do not wish to embarrass anyone in my home State. But I have 12 telegrams, identically worded, from the same town.

Mr. PASTORE. Mr. President, I ask the Senator whether he received any telegrams from the little people in Montana.

Mr. MANSFIELD. I do not know exactly in what stratum these people are, but altogether I must have received 60 telegrams, and I was visited by 4 representatives from my State. They had a right to visit me. They were interested in cable TV. I told them that if they would give me a list of the questions they wished to ask, I would try to get the answers in black and white. But before I get to their questions, I should like to ask some questions of my own.

Mr. McGEE. Mr. President, will the Senator yield at that point?

Mr. MANSFIELD. Is it possible to yield when I have been yielded to?

Mr. PASTORE. With my permission it is possible.

Mr. McGEE. I thank the distinguished chairman of the subcommittee. I should like to state that in connection with the point just made by the Senator from Montana [Mr. MANSFIELD], I have in my hand a telegram which reads as follows:

SALINAS, CALIF., *May 16, 1960.*

Mr. HARRY BUTCHER,
DuPont Plaza Hotel,
Washington, D.C.:

Our attention has been called to a flood of telegrams from Carmel, Calif., in opposition to S. 2653 regulating CATV systems. Upon checking we find all telegrams identical, with different signatures sent by one man and billed to one man. Upon further checking we find two of the signatures knew nothing about the telegrams and doubt that others did either. It seems the telegraphic attempt to persuade Senate not to pass this bill is a hoax. On legislation so vital to the future orderly growth of TV it is regrettable that the proponents of an unregulated CATV system should resort to such doubtful tactics.

JOHN C. COHAN,
President, KSBW TV, Salinas, Calif.

On the same point, if it bears on the issue the Senator from Colorado was raising here, I have in my hand a message——

Mr. PASTORE. From where?

Mr. McGEE. From Rhode Island. Excuse me. When there are two such distinguished Senators on the floor at the same time, the junior Senator from Wyoming can be pardoned for being confused.

Mr. PASTORE. The Senator from Wyoming does not have to look as far to see me as he does to see the Senator from Colorado. I cannot understand why he made that mistake.

Mr. McGEE. I have a pair of bifocals which it may be in order to use.

Mr. President, I hold in my hand a set of instructions described "Legislative program in regard to S. 2653." These instructions have apparently been given to a host of individuals who have come to visit us in Washington over this weekend. I think the instructions bear out very much of what the Senator from Montana [Mr. MANSFIELD] was alluding to in his comment to the chairman of the committee. The instructions read in part as follows:

No. 1. Please make a personal visit to the office of the two Senators from your State on Monday, May 16. Senators are very busy and your visits should be brief but to the point.

I believe that is a commendable instruction. It recognizes how busy Senators are.

No. 2. When talking with your Senator, ask him to take action for you. Ask him first to oppose the bill. If he cannot agree to oppose the bill and vote against it, ask him to vote to send the bill back to the Senate Interstate and Foreign Commerce Committee. Reasons why the Senators should do this are prepared for you on another sheet that is in your kit.

I have heard the expression "kit and caboodle." They have left out the "caboodle" side of their instructions, but the kit is there.

They finally say, "Tell your Senator that you intend to watch the proceedings from the gallery while you are in town."

May I suggest to my chairman, the Senator from Rhode Island [Mr. PASTORE], and the distinguished junior Senator from Montana [Mr. MANSFIELD], that I have the feeling that not only are we being watched, but we are surrounded, and I think that fact ought to be called to the attention of this body. This is not the first time this has happened in the Senate, nor will it be the last, but I think what has been indulged in here ought to be made a matter of public record.

If it is permissible, I ask unanimous consent to include in the RECORD at this point the full content of these marching orders.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

LEGISLATIVE PROGRAM RE S. 2653

BACKGROUND

The CATV bill, known technically as S. 2653, is scheduled for action Tuesday, May 17, and probably will be voted upon on that date.

A motion may be made to resubmit the bill to the Senate Interstate and Foreign Commerce Committee for further study.

ACTION

(1) Please make a personal visit to the office of the two Senators from your State on Monday, May 16. Senators are very busy and your visit should be brief but to the point * * * they will appreciate it. Arrange your visit in advance by telephone, if possible, starting as early in the morning as 8 a.m. * * * Senators are available until 6 p.m., or later, and don't stop until you have talked with them both.

(2) When talking with your Senator, ask him to take action for you. Ask him first to oppose the bill. If he cannot agree to oppose the bill and vote against it, second, ask him to vote to send the bill back to the Senate Interstate and Foreign Commerce Committee. Reasons why the Senators should do this are prepared for you on another sheet that is in your kit.

(3) Ask the Senator to arrange for a visitor's gallery pass; tell him that you intend to watch the proceedings while you are in town.

(4) Offer your help in obtaining any additional information or facts the Senator or his office may want.

(5) Report back to NCTA legislative headquarters. Give the legislative committee representative on duty in the Concord Room a brief verbal report of your visits not later than 10 p.m., Monday, May 16. For telephone contact with the headquarters, the Mayflower Hotel's telephone number is DI 7-3000; the hotel operator will know the extension.

(6) Be present in the Senate gallery on Tuesday morning, May 17, to watch developments on your bill. Your presence will be effective, and noticed by your Senators.

Mr. PASTORE. I thank the Senator.

Mr. MANSFIELD. Mr. President, I am quite certain the delegation from Montana is in the gallery, as I invited them to attend, and listening to every single word I say. As I mentioned earlier, I did ask them, if they so desired, to raise some questions which I should like later in the proceedings to call to the attention of the distinguished Senator from Rhode Island, the chairman of the subcommittee which held the hearings on the bill.

What is the name of the lawyers who represent this association in Washington?

Mr. PASTORE. I believe the name of the lawyer is Mr. Smith.

Mr. MANSFIELD. Mr. Stratford Smith?

Mr. PASTORE. Yes. He is a very nice young man, very courteous, and an attorney well qualified.

Mr. MANSFIELD. On page 3783 of the television inquiry hearings held in May and July of 1958, Mr. Smith states that—

The community antenna television industry born in the so-called freeze imposed by the Federal Communications Commission on the licensing of television stations on order issued in September 1948, and the industry grew since that time but was "more or less ignored" by the Commission until the "freeze" was lifted.

Is it correct that the Federal Communications Commission has failed to bring about proper regulations to give stability to the television industry as a whole, so that all forms of television can exist properly?

Mr. PASTORE. Well, that is a very difficult question to answer. I have been very critical of the FCC at times. Of course, if we are to go off on tangents, in trying to determine whether the FCC has done its work properly in giving us a competitive system throughout the Nation, that will lead us into many detours, and it will lead us into many arguments that can be made on both sides.

I have been critical of the FCC. The following is not in criticism of CATV. It is true that CATV came into existence at the time of the so-called freeze. They have done a good job. There is no criticism of the people in CATV, as such. They have a right to live and to do business. I say that sincerely, Mr. President. I have told them so. I told them so when they appeared before the subcommittee.

What they do is to take three or four signals out of the air and bring them home to a community which may not have had any TV. Where there is only one signal, they can bring in that signal. They charge for this service, of course. They have a right to make a charge. They charge a fixed fee, too, for installation.

Some people think that they charge too much. Some think that they have become quite wealthy at it. Well, after all, even Henry Ford, after he created his automobile, became a very wealthy man—and deserved to be wealthy. This is not a bill to circumvent anyone's business activity. These people have a difficult, important, and useful job to do.

I have been to Helena, and held hearings there, in order to see what the problem was in Montana, and I have visited locations where there are probably only a half dozen people involved. I remember one case of a man in Idaho, I believe, who lived on the other side of a mountain. A half dozen farmers got together and they put up a series of boosters to get a picture brought to them. They can get only one picture. They depend completely on the continuation of the TV station that supplies that signal. If anything happens to that only local TV station, we put their sets into complete darkness. We are trying to protect them. We are trying to give these people a chance to enjoy the TV station that needs a chance to live.

Mr. MANSFIELD. Mr. President, will the Senator yield further?

Mr. PASTORE. I yield.

Mr. MANSFIELD. Has not the Senator stated on a number of occasions that he felt that this country could have all kinds of television if the business were properly regulated, and that this responsibility should be under the Federal Communications Commission?

Mr. PASTORE. That is correct. That is why I believe CATV ought to be put under the Federal Communications Commission. After all, this is television we are talking about. Television is now under the control of the FCC, under existing law. The Federal Communications Commission has a right to grant licenses for microwaves. However, they do not go into questions the effect such grants will have on the other operations authorized by the Commission—the public interest.

Inasmuch as we are dealing with television, inasmuch as there is somewhat of a conflict here, inasmuch as they have a situation which in time might result in people being placed in total darkness, I am saying that now is the time to put CATV under supervision. There is nothing in the bill that does CATV any harm. There is nothing in the bill that does CATV the slightest injury. I say that, no matter what the protestations may be.

Mr. MANSFIELD. Mr. President, will the Senator yield further?

Mr. PASTORE. I yield.

Mr. MANSFIELD. Does the Senator feel that the committee has taken all due care in the preparation of this bill; that is, does he feel that the committee has done a thorough job in considering all the factors involved?

Mr. PASTORE. I not only feel that, but I say we have visited locations involved, and have sat one afternoon in Senator FULBRIGHT'S office going over amendments. I have talked to CATV representatives in the corridor, at the behest of the distinguished Senator from Pennsylvania [Mr. SCOTT], and I have explained the situation to them. I have talked with everyone who wanted to explain his position with regard to this proposed legislation. I do not believe that any bill ever came before the Senate that had been studied as exhaustively as has this bill.

Mr. MANSFIELD. Mr. President, will the Senator yield further?

Mr. PASTORE. I yield.

Mr. MANSFIELD. Is it not correct to say that the Chairman of the Federal Communications Commission and other Commissioners have requested authority on numerous occasions within the last 2 or 3 years to conduct on-the-site investigations?

Mr. PASTORE. That is correct.

Mr. MANSFIELD. It has been rumored that this bill is geared to put television cable operators out of business. Is that true?

Mr. PASTORE. No; that is not true. I have already said that the Federal Communications Commission was rather lukewarm with regard to whether they should assume the responsibility of implementing the bill. They appeared before us and they said so. They published one or two directives to that effect. Finally, at the urging of our committee, they sent a man out into the field to investigate the situation. Let me disclose what the Commission submitted to the House committee yesterday. May I have the Senator's indulgence to read the testimony into the RECORD at this point? I believe it will in part answer his question.

Mr. MANSFIELD. Certainly.

Mr. PASTORE. I read:

Thereafter, the Commission initiated a field inquiry into the general subject of TV repeater services and particularly into the problems encountered by local stations in communities served by a CATV system. This inquiry was made by a member of the Commission and staff officials during August 1959 in the States of Colorado, Idaho, Montana, Washington, and Wyoming, and the views of various organizations and individuals who reflected all sides of the local station-CATV controversy were obtained. As a result of its further consideration of this problem in the light of the information obtained since the issuance of its report and order in Docket No. 12443, the Commission is in accord with the approach taken in subsection (g) of the proposed legislation as it looks to the prevention of the duplication of local station programs by a CATV system. It would appear that the ability of CATV systems, operating without any Federal statutory restrictions, to intercept first run programs broadcast by stations in large metropolitan areas and to redistribute them to subscribers in a small community in advance of the broadcast of that same program by the local station, gives rise to an inequitable competitive disadvantage which the local station is unable to overcome by any reasonable means within its control.

Can anything be clearer than that? The FCC, after being lukewarm on this subject, sent a Commissioner and a staff member out into the field. They talked to every interested individual possible. They made an inspection on the subject of the location of these antennas and of these CATV systems, and they came back and said that we ought to have some Federal control. They said that without some Federal control we would put the local broadcasting stations at a disadvantage, which they could not meet through any reasonable means at their disposal.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. MANSFIELD. The Senator will recall that in 1958, after the other members of the Montana delegation and I had received thousands of communications concerning free television, the Senator from Washington [Mr. MAGNUSON], as chairman of the full Interstate and Foreign Commerce Committee, granted our request to conduct hearings. The Senator will further recall that on May 28, when I personally appeared before the committee, I introduced the people from my State who represented television stations, and television cable operators, and requested at that time that everyone be given an opportunity to state his case. As a result of those hearings, the committee made four recommendations to the Federal Communications Commission. As a result of these recommendations, FCC asked Congress for legislation to carry them out.

Is S. 2653, which is now before the Senate, one of the bills introduced as the result of the request from FCC for legislation?

Mr. PASTORE. Well, it is a bill which was fashioned after we listened to the various witnesses and studied all the pending bills. Is the Senator asking whether the Commission itself suggested this particular bill?

Mr. MANSFIELD. Was it one of the recommendations that a bill of this nature be drawn up?

Mr. PASTORE. The FCC's original bill was limited to the consent provision. I daresay, from what I have read to the Members of the Senate, it would take many of our proposals today.

Mr. MANSFIELD. When I appeared before the committee on the bill in 1958, I mentioned that it was my understanding that Stratford Smith, an attorney, would present the views of the television cable operators, and I believe he did. Is Stratford Smith one of the individuals with whom the Senator from Rhode Island or the committee members have met to discuss the bill?

Mr. PASTORE. On several occasions he appeared before our committee, and we went over the bill point by point. I asked him what, specifically, was bothering him, and what suggestions he had to make. I think we debated practically all of them. But, as it is with human nature, after they changed some things, they now think it is better strategy to attempt to defeat the proposed legislation completely.

That is a natural reaction. However, after all, it is our responsibility to meet the public needs. We not only have CATV to be concerned about; we have the little people to think about and to protect as well. Somewhere in between we must do something about the matter. If we turn our backs completely on the question, it will deteriorate completely into chaos.

I know the Senator from Arizona is concerned about it. The Senator from Utah, the Senator from Colorado, the Senator from Idaho, and the Senator from Montana—Republicans and Democrats alike—are concerned about it. The Senator from Kansas is waiting to give his views. This is not a question which is separated by the middle aisle. It has to do with people. People want to look at a little signal. We do not attempt to say to the CATV, "We want to put you out of business." No; we want to keep them in business.

Mr. MANSFIELD. Mr. President, will the Senator further yield?

Mr. PASTORE. I yield.

Mr. MANSFIELD. Can the Senator from Rhode Island state whether Stratford Smith is one of the individuals who advised him, through the Senator from Arkansas [Mr. FULBRIGHT], that if Senate bill 2653 were amended, the cable operators would accept the bill?

Mr. PASTORE. I would not like to answer that question. I think it would be improper for me to do so. I do not remember that he did. I do not believe he put his statement in that form. I think he is too smart a lawyer to have made such a statement. I myself think that after he got through agreeing to take what the Senate offered, he would fight it in the House, that would be quite natural. But I do not believe we ought to be guided by Mr. Smith's or his colleagues' judgment, one way or the other.

I simply say—and I challenge anyone to refute my statement—that we went over the bill with Mr. Smith in committee, step by step. We sat in the office of the Senator from Arkansas [Mr. FULBRIGHT] and went over it step by step. When we left that office, it was agreed that the Senator from Arkansas [Mr. FULBRIGHT] would offer certain amendments and that I would consider them.

After they were worked out the first thing I knew, we were told that they were no longer going to push the amendments. I understand that the Senator from Arkansas [Mr. FULBRIGHT] is no longer interested in sponsoring the amendments.

I know that somewhere along the line someone became a little displeased with the tactics being employed.

Frankly, I am a little bit irritated about the way we were treated, but I do not desire to vent that feeling or that emotion upon the proposed legislation. I am still predicating my argument upon the substance of the legislation and the need for it in this country.

Mr. MANSFIELD. Mr. President, will the Senator further yield?

Mr. PASTORE. I yield.

Mr. MANSFIELD. Last August, when S. 1886, affecting TV boosters, was before the Senate and passed, S. 2653 was called up, but at the request of the Senator from Arkansas [Mr. FULBRIGHT], it was passed over. Is not that a correct statement?

Mr. PASTORE. I believe it is correct. I know it was passed over, but I do not know at whose request.

Mr. MANSFIELD. Does the Senator from Rhode Island recall whether the request of the Senator from Arkansas was that the Senate delay action so that representatives of the National Community TV Association, Inc., could submit amendments?

Mr. PASTORE. That seems to be correct. That is precisely what happened in the office of the Senator from Washington.

Mr. MANSFIELD. Did not the Senator from Rhode Island, who now has the floor, agree to the request, which other Senators and I made, that he personally conduct hearings in States like Montana, Wyoming, Colorado, Idaho, and Utah?

Mr. PASTORE. That is correct.

Mr. MANSFIELD. Those hearings were conducted, and the Senator heard individuals representing the cable operators, did he not?

Mr. PASTORE. Yes.

Mr. MANSFIELD. Did the Senator from Rhode Island hear the testimony of TV boosters, and TV station representatives, as well as of television viewers?

Mr. PASTORE. We heard the testimony of many of them.

Mr. MANSFIELD. Is it correct to state that since that time the Senator from Rhode Island has met with such persons on a number of occasions to try to agree on these amendments to the bill?

Mr. PASTORE. The Senator is correct.

Mr. MANSFIELD. Would the Senator from Rhode Island say that this is the first time a chairman of a subcommittee has ever reconsidered amendments to a bill which had already been

voted upon in committee and has been pending on the calendar since last August?

Mr. PASTORE. I do not know whether this proposal is unprecedented. But that is precisely what I have done. I understand a motion will be made this afternoon to recommit the bill. I do not know how far an individual should go in carrying out the functions and responsibilities of a subcommittee.

I made public declarations that if there were any amendments which might be proposed, I would be perfectly willing to look at them and consider them. I made that statement yesterday. I was asked with whom they should get in touch. I said they should get in touch with Mr. Zapple of our staff who would show them to me. I have received no proposed amendments.

The difficulty is that the bill is not wanted. The desire now is to have the bill recommitted, to be refined further. It cannot be refined further.

As a matter of fact, I said we would consider any amendment that might be proposed; I went so far as to say that they should be brought to the floor, and I would consider them on the floor. But the fact is that the bill is not wanted. The desire is to have the bill sent back to committee. Why? To let it die.

Mr. MANSFIELD. Mr. President, will the Senator from Rhode Island further yield?

Mr. PASTORE. I yield.

Mr. MANSFIELD. Is my understanding correct that the bill was reported unanimously by the committee?

Mr. PASTORE. I do not know. There was a great amount of discussion. I would not go so far as to say that it was reported unanimously. I assume that Senators like the distinguished junior Senator from Oklahoma [Mr. MONRONEY], who is a member of the committee, never agreed with it.

Mr. MANSFIELD. Is my understanding correct that after the amendments were agreed upon, and notice was given that the bill would be called up, the Senator from Rhode Island learned, only on Thursday or Friday of last week, that it was the intention of the representatives of the cable operators to oppose the bill?

Mr. PASTORE. It is my impression that they are going to oppose it. I do not think that is decisive.

Mr. MANSFIELD. My next question has been answered by the Senator from Wyoming. Does the Senator from Rhode Island know of a communication instructing the people in the States to send telegrams of such protest? I refer again to the 12 identical telegrams sent to me from Missoula, Mont. Each one of the senders seems to have the idea that I support S. 2653. I have never made a public statement about the bill, but each one of the telegrams states: "I oppose your support of S. 2653." How they got information that I support the bill, I do not know, because I have not made any statement about it, public, private, or otherwise, which would convey that fact. Nevertheless, it is interesting to receive telegrams of this kind, each having the same words, and coming from the same city.

Mr. PASTORE. I hope Senators will attend to my statement. This has been a blitz campaign. I ask Senators who perhaps are not too familiar with the bill, How many of them were approached by these CATV people months and months ago? The bill has been on the calendar for almost a year. The Senate has been considering the measure for almost 2 years. How many people who now say they are opposed to it have appeared before the committee? I daresay not many. But now, at the 11th hour, when the bill has been called up for action on the floor of the Senate, we are subjected to a blitz in the form of telegrams and of personal appearances in an attempt to make Senators believe that the bill will destroy—yes, destroy—their business. That is not true.

Mr. MANSFIELD. I met yesterday with four citizens of my State and suggested to them that if they had any questions concerning the bill I would appreciate having them and would try to get the answers to them, so that they would have them in black and white. Here are the questions they gave me:

Am I correct in my understanding that one of the effects of the bill would be to prevent CATV systems from receiving stations which broadcast programs scheduled by local stations located in the same community as the CATV system?

Mr. PASTORE. Only if it is done by edict of the Federal Communications Commission; if the practice would be more or less "getting a jump," for lack of a better word, on the program to be shown later by the local television station, and where it is thought that such a practice might jeopardize the existence of a local television station. Then the Federal Communications Commission could make rules and regulations to the effect that the CATV system would have to show that particular program at the same time, or the CATV would have to show the program along with the local television station, including several others it was already showing.

Mr. MANSFIELD. Is there anything in the proposed legislation which would exempt community antennas from this particular requirement if the same programs that are being duplicated by the CATV system are also available in the community by means of off-the-air television reception from television stations in other communities?

Mr. PASTORE. That is a loaded question. As a matter of fact, the Senator from Montana gave me a copy of his questions an hour ago. Every question is a loaded question. They are like the old question asked around court houses: When did you stop beating your wife? Whether the answer is yes or no, the person who answers is in trouble. They all lead to the same thing; they all aim in the same direction. Take a situation where there is one available television broadcasting station in a community, and in the same community a CATV system operates, which has the advantage of showing three, four, or five signals, the TV broadcaster petitions the Federal Communications Commission and shows that unless its particular program is shown also on the CATV, as one of the three it shows, at the same time when the TV station shows it, that will be a disadvantage to the TV station inasmuch as the TV station lives on advertising, and inasmuch as the CATV serves only the congested areas, because it does not pay it to extend its lines to sparsely settled areas, unless something is done, the TV station will have to close, and then will lose its license, and then will have to close up shop permanently. That is the situation. Senators can ask me a thousand times; but if I have said it once to the members of the CATV organization, I have said it 100 times, and they understand the situation.

However, they say they will do it by agreement. If they are willing to do it by agreement, what is wrong with doing it under the supervision of the Federal Communications Commission? That is all the bill does.

Mr. MANSFIELD. Mr. President, will the Senator from Rhode Island yield further?

The PRESIDING OFFICER (Mr. MUSKIE in the chair). Does the Senator from Rhode Island yield further to the Senator from Montana?

Mr. PASTORE. I yield.

Mr. MANSFIELD. Will the Senator from Rhode Island call me up short if I get out of bounds? I ask him to remember that the questions I am submitting are not my questions but questions which I have asked the CATV people from Montana to prepare for me.

Mr. PASTORE. Mr. President, I am not saying the Senator from Montana is out of bounds. But all these questions are drawn in such a way that if I answer them by saying categorically "yes" or "no," someone can get into an argument about my answers. [Laughter.]

Mr. MANSFIELD. Mr. President, will the Senator from Rhode Island yield further to me?

Mr. PASTORE. I yield.

Mr. MANSFIELD. Would any provision of the bill require the Federal Communications Commission to impose the same regulations against VHF boosters and UHF translators bringing programs into the same community in which a local station and a community antenna system are operating side by side?

Mr. PASTORE. There, again, I cannot imagine that the Federal Communications Commission would operate in a way that would be inimical to the public interest. But if it did, we should get rid of the Commission members. After all, all of the activities under the bill are to be placed under the aegis and the supervision of the Federal Communications Commission. Have we lost faith in the Commission? Do we think it is bent on putting anyone out of business? I do not think it is.

Does this bill apply to a community in which there are two broadcasting stations? No, it does not.

Does the bill apply to a television station which has less than 50 service subscribers? No, it does not.

Does the bill apply to anyone who puts an antenna on top of an apartment house, and serves all the tenants of the apartment house? No, it does not.

So we have taken care of practically every situation; and if there are any which we have not taken care of, I ask

Senators please to submit amendments in regard to them, and we shall take care of them, too.

Mr. MANSFIELD. Mr. President, will the Senator from Rhode Island yield further to me?

Mr. PASTORE. I yield.

Mr. MANSFIELD. Has the Senate passed, or is there being considered, any other legislation which would require the Federal Communications Commission to treat translators, boosters, and CATV systems on the same basis, insofar as avoidance of duplication of programs is concerned?

Mr. PASTORE. I thought that was the previous question.

Mr. MANSFIELD. All right.

Will the Senator from Rhode Island yield for another question?

Mr. PASTORE. I yield.

Mr. MANSFIELD. Is it not possible, then, that under this legislation, CATV systems might be prohibited from duplicating programs scheduled by local stations, whereas other auxiliary television reception devices in the same community could duplicate them?

Mr. PASTORE. I could answer that question in the same way. The word "duplication" runs all through these questions. I have explained what we mean by "duplication." You see, in many parts of the country there are no live television programs. For instance, if a program originates in New York, and if it is shown in Arizona, because of the difference in time, if it is on a direct line the program can come live or by tape by means of what is called kinescope. For instance, if live television were shown in Phoenix, let us say, and if the CATV were able, through microwave or a good antenna, to capture the picture coming from Phoenix, then the CATV would catch the picture while it was still "live"; and in that event, a poor fellow in Yuma who was waiting to get the program on Wednesday night would be at an insurmountable disadvantage, because by means of CATV many of the people in that community—including those who watched television in taverns or other public places—would be able to see the program on Tuesday night. In that event, the station which scheduled the program for Wednesday night would not be able to obtain advertisers. The prospective advertisers would feel that by Wednesday night any impact of the program would have been lost, and thus to advertise on the program on Wednesday night would be like trying to sell last Sunday's newspaper today. Who would buy it?

So this should be synchronized in such a way that if a local broadcasting station which can show only one signal is in conflict with CATV, there must be a plan, under the jurisdiction of the Federal Communications Commission, to have the picture shown in that community, and at a time which will be convenient and satisfactory as the Commission will find to be appropriate.

Mr. MANSFIELD. Mr. President, will the Senator from Rhode Island yield further to me?

Mr. PASTORE. I yield.

Mr. MANSFIELD. I should like to state my next question, although it will not require an answer, because it, likewise, has to do with duplication. The question is this: Under this legislation, is it not possible, then, that if the Commission is required to require CATV to avoid duplicating programs where there is a local station, CATV could be destroyed by its inability to provide the public with the same services that boosters, translators, or out-of-town stations can provide?

My next question is as follows: If this is so, is there not a serious possibility that under the provisions of the bill there is a constitutional discrimination which, in the last analysis, might make it impossible for the Federal Communications Commission to enforce the provisions of the bill?

Mr. PASTORE. Well, Mr. President, when we talk about constitutionality, it works both ways. That is what the broadcasters are invoking against the CATV people. They say, "We go to great expense to show a program, and we have to charge our affiliates who show it. But those who use CATV can erect an antenna and can take the picture out of the air, and do not pay for it. Then they transmit it to others, and charge those others for the privilege of seeing the picture which we originate."

After all, constitutionality works both ways.

Mr. MANSFIELD. Am I correct in my understanding that, under the provisions of the bill, the Federal Communications Commission can require community antenna systems to receive the signals of a local television station in the same community if the local station wishes to be received?

Mr. PASTORE. If the public interest is to be served, of course.

Mr. MANSFIELD. Mr. President, will the Senator from Rhode Island yield further?

Mr. PASTORE. I yield.

Mr. MANSFIELD. Does the Federal Communications Commission have authority to require a community antenna system in the same town as two local stations to receive both local stations upon application of both local stations?

Mr. PASTORE. The proposed bill should not apply. In any event this is a detail that is left to the FCC under f(1).

Mr. MANSFIELD. Mr. President, will the Senator from Rhode Island yield further?

Mr. PASTORE. I yield.

Mr. MANSFIELD. If, in fact, it is intended that a CATV system be required to carry only one local station, would not the carriage by CATV of the first local station work discrimination and undue hardship on the second or third local station which might not be received on the CATV system?

Mr. PASTORE. Only if the Federal Communications Commission were asleep and were not doing its job.

Mr. MANSFIELD. Mr. President, will the Senator from Rhode Island yield further to me?

Mr. PASTORE. I yield.

Mr. MANSFIELD. Would not it be better to make it clear that whenever a second station comes into a community which is served by a CATV system, none of the provisions of the bill will apply?

Mr. PASTORE. I think that is abundantly clear, by means of the provisions already in the bill. But we can state, as a matter of history, that it is not the intent of the Congress to have the criteria apply. But I do not think we have to write in such a provision; I think we have made that abundantly clear. The hearings indicate it, and the report indicates it, and the bill indicates it.

So I think that is a rather specious argument; and I do not believe it has any place here.

But if some think there is any substance to such an argument, let me say here, unequivocally, that in that particular case the bill would not apply, because in the bill we use the words "the only available facility."

Mr. MANSFIELD. Mr. President, I wish to express my thanks to the distinguished Senator from Rhode Island for his patience and his courtesy; and I express the hope that in asking these questions I have not worn out the patience of my colleagues in the Senate.

Mr. CHURCH. Mr. President, will the Senator from Rhode Island yield?

Mr. PASTORE. I yield.

Mr. CHURCH. Let me say to the distinguished Senator from Rhode Island how much I appreciate the service he has rendered to the States of the West which are faced with this general problem.

At my request, the Senator will recall, he came to Idaho during the past recess, and he conducted a very fine and much appreciated hearing at Idaho Falls. It seems to me it is clearly in the interest of CATV to be licensed, and the provision in the pending bill which would require the CATV system to include in the local broadcasting station is, I think, something which neither they nor, indeed, anyone else can fairly object. But I do have some questions about the final provision of the bill which I would appreciate having clarified.

As the Senator knows, in my State there are community antenna television systems in Lewiston, in Soda Springs, and in places that are within reach of larger cities like Salt Lake City in Utah and Spokane in Washington. In Lewiston, for example, we have one available local television station. I am wholly in accord with the principle that the law should provide proper safeguards to preserve the local television stations; but there are about 3,000 families in the Lewiston area who are anxious to obtain programs broadcast by the Spokane stations, and they are paying customers of the local community antenna television system. One reason why they are willing to pay the fees is that they have the variety the local station cannot furnish, but another reason, it seems to me, may be the inducement that some programs they want to see at the time the event occurs can be purchased through this service, but cannot be seen at the time of occurrence, on the local broadcasting station.

Take, for example, the world's series. Let us assume that these many people in

Lewiston are anxious to see the world's series, and, through their connection with the community antenna television system, they can see the world's series as the games occur.

As I read the provisions of the pending bill, under subsection (g), there is to be found the following language:

> The commission shall prescribe appropriate rules and regulations in order to avoid the duplication of programs broadcast or scheduled to be broadcast by a television station * * * which is assigned to a community in which a community antenna television system serves—

Reading that far, it would appear to me that the effect of this provision would be to prohibit the community antenna system from broadcasting the world series, as it occurs, to the people of the Lewiston area, if the local station intends to obtain a kinescope of the games and play it back a day or two later.

Am I correct in my interpretation of this provision?

Mr. PASTORE. No; the Senator is not correct. In the first place, let me say this. I cannot imagine a situation in which, for example, a world series game played on Sunday is shown on the Tuesday following, when it has been read about and heard on the radio. That situation was given as a hypothetical question, I understand; but let me say this. The original bill which was introduced provided specifically that, at the request of a broadcaster, they had to show the broadcaster's signal. I thought that right should not be left up to the broadcaster; I thought it should be within the province of the Federal Communications Commission The committee agreed with me. That section reads in part:

> The Commission shall prescribe appropriate rules—

I am telling the Senator, very frankly, if that situation arose and the Federal Communications Commission had a regulation which blacked out the program, it either ought to repeal the regulation or be called before our committee to explain why it had adopted such a rule.

I suppose, under any given situation, one could imagine a condition which would be unwise, and sometimes even ridiculous. That is one reason why we are leaving this regulation within the province of the Federal Communications Commission. I would hope the Commission would make reasonable rules.

Mr. CHURCH. So it is the opinion of the Senator from Rhode Island that the FCC, in implementing this provision, will take into account the fact that some programs should be broadcast at the time the event occurs, and will not prohibit the community antenna station from so doing. Is that correct?

Mr. PASTORE. Either that or they will be blind to the facts of life.

Mr. CHURCH. Very well. I think this legislative history ought to be made clear.

I have one further question, if the Senator will yield. What administrative problem will be involved here for community antenna TV systems if they are prohibited not only from duplicating a program that is being simultaneously carried by the local station, but also prohibited from carrying a program which may later be scheduled to be broadcast by the local station? Is this practicable, or will it involve an administrative problem clearly beyond the ability of many CATV systems to comply with the regulation?

Mr. PASTORE. I do not think so. The distinguished Senator from Vermont and the distinguished Senator from New Hampshire are present. I do not think they are much concerned with that problem. Some localities have a scarcity of local broadcasting. Some of them did not have one station, and that has now been corrected. There is one station in Vermont on the borderline of two States where that problem was involved. There are other sections of the country where that happens. In situations of that kind, I think the procedure would be rather perfunctory.

When we consider an area such as that of the State of the Senator from Idaho, there is a serious situation in some of the valleys behind high mountains. I recall that when I came to the lovely State of the Senator from Idaho, and we met at Idaho Falls, many people came to the hearing. The courtroom was crowded. Many farmers and their children and wives wanted to have a television broadcasting system so they could have a signal. The situation would be serious in such a case. I think the FCC is sensible enough to take such a situation into account in making the rules, so that they can deal with all these different situations, and equity can be done. There are some situations, I will say very frankly to the Senator from Idaho, where all that the procedure would amount to would be the filing of an application, the granting of a license, and that would be the end of it, because there would be no interference or contest.

I was told by a Senator from one of the northern New England States that they are not interested in anything like that, that there is no such problem involved. But there are localities in the United States where some of these local stations have shut down. I cannot put my finger on it just now to prove it, but the allegation is made that the cause of it was the coming of the CATV.

The CATV says, "Prove it." It is like asking someone to prove which bullet caused the death of a man who had two fatal wounds. I do not know. There are many factors which go into the shutting down of a station. But the fact of the matter is that there is a strong suspicion that the coming in of CATV has caused it. A staff man of the Federal Communications Commission has made an investigation of the matter. I will tell the Senator very frankly that is the impression I received. If that is so, it will be taken care of very quickly; but, in the meantime, I do not think anybody's toes are going to be stepped on too hard.

Mr. MONRONEY. Mr. President, will the Senator yield for a clarifying question?

Mr. PASTORE. I yield.

Mr. MONRONEY. Would the bill require a license for only the CATV systems which the Senator has described, which the Senator alleges in several cases are in conflict with a single local TV station, or would the bill impose Federal licensing on all 760 CATV systems, most of which pose no threat to and are in no conflict with the single local TV station?

Mr. PASTORE. The bill would impose licensing upon all of them for a very obvious reason. How do we know when the Federal Communications Commission is going to grant a broadcasting license? Are we not trying to promote a competitive system? Are we not trying to insure a free system? Do we want to say that once CATV is provided, the local people will have to forget about regular TV?

Of course, this will all be under Federal control. All I say is that the parts of the bill about which there is complaint will not have any effect in those localities which have been mentioned. In those localities, coming under supervision would be a very perfunctory thing.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. MONRONEY. The bill will require these men to go before the Federal Communications Commission. They will need a counsel to represent them. Obtaining one of these licenses involves the same complex provisions and rules and regulations which apply to the granting of TV licenses. These licenses would have to be renewed every 3 years.

This is the "guts" of what these men are afraid of. It involves the recurring expense of coming back again, after all of the trouble of getting the little business organized. Many of these systems were built by these men with their own hands, yet these men are to be subjected to relicensing every 3 years and the expense and trouble of appearing before the Federal Communications Commission at any hearings which may have to be held to justify the license.

Mr. PASTORE. Well, that is not entirely so. It is true that perhaps some of these fellows built these systems with their own hands. We know of several systems which have been sold for high sums.

In the case of getting a license for the microwave, it is necessary to appear before the same Commission, or otherwise these men cannot get the microwave authority. These men have to do business with the telephone company, or otherwise they cannot get the right to use the telephone poles, and so on. These men have to deal with the municipalities, in order to get a franchise to put up the cables.

After all, this is much the same as is true in other instances. When there is no objection, the application could be sent in. Why would it be necessary to get an attorney if nobody objected to the proposal? Why would it be necessary to do that? It would operate much the same as the Consent Calendar call in the Senate. We pass a great many bills, simply because nobody objects to the passage of the bills.

Sometimes we pass a couple of hundred bills in an afternoon. However, when some Senator objects, as is the case with regard to the bill we are now considering, we are here all afternoon.

Mr. SCHOEPPEL and Mr. KERR addressed the Chair.

The PRESIDING OFFICER. Does the Senator yield, and if so to whom?

Mr. PASTORE. If the Senator from Oklahoma does not mind, I should like to yield first to the Senator from Kansas, for he has been on his feet a long time.

Mr. SCHOEPPEL. Mr. President, I will say to the Senator from Rhode Island that as a member of the Committee on Interstate and Foreign Commerce I appreciate what the Senator from Rhode Island has done while acting as chairman of the subcommittee. It has not been an easy task for the Senator. He has made a painstaking effort over a long period of time to go into all phases of the subject of the bill as they came up, and his actions have been most commendable.

I was one who voted to bring the bill from the committee to the Senate. I, like some of my distinguished colleagues in the Senate, have received within the last few days some objections, which I had never heretofore thought existed, and about which I had never heretofore heard. I had been informed by those in a responsible position, those who knew of the activities of the subcommittee and of the study which has gone into the whole matter, that most of the problems in this regard had been resolved.

I know that with respect to some proposed legislation we make a history on the floor of the Senate, as to the interpretations and a few things like that, of all of which, of course, the distinguished Senator is well aware.

Some of these matters may have been covered in part, but, as the distinguished Senator knows, I submitted to him this afternoon a series of questions which I desired to address to him. If some of the questions appear to be a duplication I shall avoid asking them. For instance, I think question No. 3 has already been answered.

If the Senator will yield for this purpose, I should like to ask him the first question.

Mr. PASTORE. I yield.

Mr. SCHOEPPEL. Is there any authority in the bill under which the Federal Communications Commission could exempt some of the smaller community antenna systems from burdensome regulation?

Mr. PASTORE. First of all, let me say that the bill specifically provides that it shall not apply to cases where there are less than 50 subscribers. I think under the general power of classifying, that could be taken even further in the public interest. As a matter of fact, we refer to that particular matter under subsection (b) on page 3, where it is said, "The provisions of sections 303"—

If the Senator will read the Communications Act, he will find that the Commission has some latitude and flexibility in promulgating rules and classifications. I think in the public interest possibly we could go further than that, but so far as the bill is concerned, there is an exemption up to 50.

Mr. SCHOEPPEL. Question No. 2: Some of the communications to my office indicate a belief that S. 2653 would require a community antenna company to obtain permission from the television broadcaster before he could distribute the television signals. It is my understanding that no such provision appears in the bill. Will the Senator comment on this point?

Mr. PASTORE. Positively. That is one of the things I have emphasized.

I will say to the Senator, that even I would not vote for passage of the bill if that were required, because I think it would be an invitation to destroy the CATV industry. I am not bent on destroying the industry.

I repeat, this group has done a wonderful service. They have brought three or four channels to people who never had them to view. Even today, those people would not have the channels were it not for this service. We are saying to them, "Keep it up. Keep doing the fine job you have been doing, but at the same time let the other fellow live."

That is all that is at issue. These men have done a fine job. This is no criticism of them. If it had not been for them and their work, there would be many people in darkness today, so far as television is concerned. However, where the people cannot receive more than one signal, in certain localities, the CATV's have come in. Through this fee system, with a moderate installation charge in some instances for hooking the service up, they have made it possible for the people to see a fine picture and a clear picture on three or four channels. I think that is a wonderful job they are doing. I find no fault with that.

Mr. SCHOEPPEL. I am in complete agreement with the Senator on that.

Question No. 4 is: S. 2653 is criticized on the ground that it is designed to protect the interests of a local television broadcaster rather than the interests of the public at large. How would the Senator answer this criticism?

Mr. PASTORE. I do not think that is so. I do not think we would write that kind of a bill, to begin with.

In the second place, the Federal Communications Commission is charged with protecting the public interest. We have to remember that all through this discussion.

Mr. SCHOEPPEL. Mr. President, will the Senator yield further?

Mr. PASTORE. The criterion we must use is the public interest, the public convenience, and the public necessity. That is woven all through this proposed legislation, as it is woven all through the Communications Act.

I do not think there is any doubt about the matter. I will say unequivocally that this service must be in the public interest. This is not to be done to satisfy the financial interests of either party. Naturally, of course, we believe the business must be protected, so that the man can continue to make a profit and so that he can continue to operate the service in the public interest.

Mr. SCHOEPPEL. If the Senator will yield further, question No. 5 is: If the natural forces of competition are left to work without Government regulation, and if, as a consequence, a local television station should go out of business, would local CATV be able to supply service to surrounding rural areas?

Mr. PASTORE. I do not think so, because it would not be profitable. That is the point.

I asked the question, "Why do you not extend your lines, especially in a State like Idaho?" That cannot be done. It would be necessary to go over the mountains and all sorts of rough and rugged terrain. These men simply cannot do that, for it would not be profitable. They have to use the microwaves. They have to tap in with the wires. They have to run the cables. Usually the cables are attached to the same poles to which the telephone wires are attached. Naturally, it is necessary to concentrate on the congested areas.

Really, these operations siphon off the cream. I am not finding fault with them, but, let us say, these men come into a town of perhaps 10,000 inhabitants, where there might be a few people—two or three thousand people—way out on the outskirts. These men hook up the congested area. That is permissible. I find no fault with that. What happens then? The minute the people are satisfied with that kind of reception the man who is operating the local TV station, who caters only to the little farmers and to the people on the outskirts, cannot make enough money from his advertising, unless he can sell to the corner grocer and to the milk man and to all the others. After all, that is what sustains the television broadcasting station. The advertising is absolutely necessary. The minute the cream is siphoned off we will find the broadcaster in trouble. Unless we do something to permit the broadcaster to keep the facilities he has, the few remaining stations will be put out of business. Therefore, we have to do something to put both parties under supervision. That is all we propose to do. We want to keep both of them alive.

Mr. SCHOEPPEL. One final question. Should a distinction be made in this legislation between CATVS that simply overcome terrain difficulties and others that have microwave relays to bring signals from hundreds of miles away? Should we make that distinction?

Mr. PASTORE. I do not know what the Senator means by the question. Does he mean, Can we draw a bill which would control CATV only in instances in which the people must depend upon a "kitchen" booster in order to get the signal?

Mr. SCHOEPPEL. Yes.

Mr. PASTORE. That is the point which was raised by the Senator from Oklahoma [Mr. MONRONEY]. That cannot be done. They must all be put under regulation. So far as procedural matters are concerned, where there is no contest or problem, issuance of a license is perfunctory. But where there is a problem, there must be a hearing at which evidence is taken and both sides

heard. That is the natural procedure. I assume that in many cases the application would be filed and that would be the end of it.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. CURTIS. First, I thank the distinguished Senator for his long efforts in a difficult area. I have given very limited study to S. 2653. It appears to me that the proposed legislation places the community antenna systems under the jurisdiction of the Federal Communications Commission. To that extent there is a delegation of authority to them. Does the bill directly prohibit or outlaw any act that the community antenna systems are doing now?

Mr. PASTORE. I do not think so, aside from the fact that now they are at liberty to take a picture from a broadcasting station in Phoenix and show it in Yuma, for example. It may be earlier than the picture would be shown on the local broadcasting station in Yuma, and if the broadcasting station at Yuma made an application to the FCC, it could bring that to a stop. That would be a deprivation of some activity. That is about as far as it would go.

Mr. CURTIS. The bill grants to the Commission the right to look into that situation?

Mr. PASTORE. And to make rules and regulations.

Mr. CURTIS. To make rules and regulations.

But in the absence of action by the Commission, is there anything in the bill which prohibits what the community antenna systems can do?

Mr. PASTORE. I would not say so, unless the Senator sees something in the bill to the contrary.

Mr. CURTIS. I am not raising a particular point.

Mr. PASTORE. I would not say so. The bill involves no deprivation of rights. It merely puts the operation under the control of the Federal Communications Commission, for the specific reasons which we have enunciated in the bill. I do not think there is any deprivation of rights. We do not declare any.

Frankly there was a question about whether we should use the word "signal" or the word "program."

The lawyers suggested that we should use the word "signal," and I told them we would accept the word "signal," provided it was explained in the history of the bill on the floor of the Senate that we were using the word "signal" as synonymous with "program," as it was written in the bill as reported from the committee. I believe the reason for the request was that there is a case pending in court, and it might turn on whether or not it is a signal or a program which is involved. I believe the lawyers were trying to protect the interests of their clients. A question like that might have an effect one way or the other, and we have not tried to do anything other than I have indicated. In other words, there is nothing slippery in the bill.

Mr. CURTIS. Is it the intent of the proponents of the bill to grant authority to the Commission to regulate community antennas and the competition which arises between them and a single television station?

Mr. PASTORE. Let us assume the operators want to extend their lines, or let us assume they want to go to a neighboring city and questions of that kind arise. They would have to file an application and go through the procedures which are required by the Federal Communications Act. If they must be placed under control, they should be under control.

Mr. CURTIS. I thank the Senator.

Mr. KERR. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. KERR. I have listened with a great deal of interest to the speech of the Senator from Rhode Island. When he was talking about the little people in such an eloquent, plaintive, and effective manner, the Senator from Oklahoma sat down and wept, since the Senator from Oklahoma is allergic when little people are mistreated.

Then the thought came to me that I was weeping for somebody who was either anonymous or unknown. I now wish to ask the Senator to identify the little people about whom he was so eloquent that he had the Senator from Oklahoma in tears.

Mr. PASTORE. These little people are farmers who live in the little valleys in Idaho, farmers who have five or six children who have to walk miles and miles to go to school, who come home from school tired, but still must study. Their fathers work in the fields all day and their wives work side by side with them tilling and cultivating the soil.

Mr. KERR. Will the Senator yield?

Mr. PASTORE. The Senator from Oklahoma asked me a question, which I should like to have an opportunity to answer. Wives work side by side with them, and when nightfall comes they want to see, "I Love Lucy." Those are the little people I am talking about.

Mr. KERR. I am delighted to see the Senator's newly found interest in the farmer, but the ones I know do not spend their nights looking at "I Love Lucy," unless that happens to be the wife's name, though that is not often the case.

Mr. PASTORE. There are many "Lucys" out there.

Mr. KERR. How is that farm family with the children in that little valley—was it in Idaho?

Mr. PASTORE. Idaho, Montana, and Wyoming.

Mr. KERR. How are they protected under the bill?

Mr. PASTORE. They are protected in this way. I will repeat.

The local station, which is the only available TV station, has made the allegation that it subsists on advertising revenue in a community, which is rather small. Ordinarily the local broadcasting station in such a community uses spot announcements——

Mr. KERR. Does the Senator mean the local TV station?

Mr. PASTORE. The local TV station. The TV station subsists naturally on the advertising it gets. Sometimes the income is high, sometimes it is moderate, and sometimes it is fair. I am not going into that. Then CATV comes in. CATV can operate in very congested areas by means of cable lines. It cannot go too far out because as the distances increase, the expense becomes greater and the installation charge is higher than many people can afford to pay, and they cannot afford to pay the fee.

Even if they were in a section where CATV operates, some people cannot afford the installation charge, because it runs in some cases to $150 per installation, and in some cases the people must pay $9 a month for the privilege of viewing the station. Many farmers cannot afford that expense.

Mr. KERR. It is not compulsory upon them, is it?

Mr. PASTORE. No; but let me finish the premise I am developing. The point is that there is nothing wrong with CATV coming in and installing wires, but this is what happens. The minute a CATV station comes in with three signals, and the people can see the programs, because the CATV goes to the originating point, which is a large city—for example, in Montana they would go as far as Spokane, or if the station were in Arizona, I suppose they could go as far as Phoenix—they have the opportunity, for a fee, to see a program which takes place simultaneously at the time it is being performed or broadcast in the originating station or network.

The poor little fellow who has a small broadcasting station, and who has contracted as an affiliate of a network, has an agreement with the network to show that particular program but not on the night it originates and is shown in the large areas. He can show it only in the middle of the next week. After "Gunsmoke" has been shown on Saturday or Sunday night, whenever it appears live, there is not going to be too much attraction for the viewers and advertisers to have that same program on the following Wednesday night.

In order to cure that situation, we are asking CATV, which has three or four signals, to make a sacrifice and reduce the number to only one where the FCC, on petition of the station and decision by them, finds it is in the public interest, in order to sustain the local broadcasting station, or by such duplication is avoided. When there is a particular program which the TV operator is privileged to show on Wednesday night and can show only on Wednesday night, rather than show Gunsmoke on Sunday night, the CATV operator could be required to get something else for that channel Sunday night and wait to show his "Gunsmoke" later. That is not hard or unfair; is it? That is all we are doing.

Mr. KERR. Is that all the Senator proposes?

Mr. PASTORE. That is about all we seek to do.

Mr. KERR. I was asking the Senator from Rhode Island for whom we wept, and he told me it was the little family in the valley in Idaho and the little TV station in that area.

Mr. PASTORE. That is correct.

Mr. KERR. Is this bill limited to only those CATV's who serve in and are served by only one TV broadcasting station?

Mr. PASTORE. Because it is impossible to write a bill that way.

Mr. KERR. I did not ask the Senator that.

Mr. PASTORE. It covers all the CATV's.

Mr. KERR. Why put 760 under control in order to protect a dozen or two dozen or 100?

Mr. PASTORE. Because one never knows——

Mr. KERR. May I finish my question?

Mr. PASTORE. Certainly.

Mr. KERR. Why do that in order to protect a dozen or 100 who are in the category the Senator has described and for whom he had me weeping on the floor of the Senate, without knowing who they were?

Mr. PASTORE. I am sorry. I did not mean to have the Senator weep for anyone. I do not want him to cry on the floor of the Senate. I want him to be patient and listen to what I have to say. It might be a more practical procedure if it were possible to limit the bill to certain specific situations. However, under our philosophy, under which we wish to extend free television as far as we can go, that cannot be done. Every day the Commission is granting licenses. We are talking about free television, of course. If the Senator wishes to develop a nationwide system of pay television, we will do what the Senator suggests.

Mr. KERR. No, I do not want to develop pay television.

Mr. PASTORE. Then it is necessary to put these people under regulation, so that as new licenses are granted the Federal Communications Commission will have jurisdiction. The FCC then will be in a position to develop an orderly system of TV. However—and this must be borne in mind—insofar as harassment is concerned, or so far as a burden may be incurred, because of the duties that are imposed upon a CATV organization where there is no problem, I would assume the action of the Federal Communications Commission would be nothing more than perfunctory.

Mr. KERR. Why put a burden on one who is not guilty and make him pay all the costs of sustaining that burden to protect someone for whose benefit the legislation is enacted, but in order to protect whom the Senator would affect 760 persons who started in business, and who had a right to start in business, and for whom the Senator would sound the death knell unless they could come to Washington to hire lawyers to appear for them before the Federal Communications Commission to sustain their businesses?

The Senator said before that the bill had been refined to the extent that it could not be refined further. I must say that the Senator does not have as much confidence in his ability as I do. I believe that if he wanted to write a bill which would protect a TV station in a community where there was only one station, he could do it a little easier than he could by the pages and pages that he brings to the Senate in the pending bill, and which, I charge, no one but a lawyer fully understands.

I see the Senator from Illinois on the floor. He should have been here and heard the plea for the little people.

Mr. DIRKSEN. I did hear it.

Mr. KERR. Then why is not the Senator from Illinois weeping?

Mr. DIRKSEN. The Senator from Oklahoma has not given me a chance to weep.

Mr. KERR. Why did he not weep with me?

Mr. DIRKSEN. I am waiting to weep.

Mr. PASTORE. Mr. President, if this weeping is going to continue, I hope I will be given a chance to go home to get my rubbers, because I do not want to get my feet wet.

Mr. KERR. When the Senator gets his rubbers, I hope he will get me an umbrella.

Mr. PASTORE. Over the years we have been developing a competitive free television system. We have been assured by the Commission from time to time, even though at moments we have been discouraged and frustrated, that they are trying desperately to promote a free television system throughout the Nation. There are many sites and many areas where there are four channels. Some areas have five channels. Large cities were in on the original grants. New York, Los Angeles, Chicago, Washington, and many cities of that size have many channels. There are a great many other places where the people do not have one little television station, where the Commission is trying to work them in. There are other areas where the FCC is trying to drop them in as much as it can. This is true not only in Rhode Island but also in Oklahoma.

This whole problem of TV service and the type of service is knitted together. I know the argument the Senator is making. That argument was made in committee. I know a great deal can be made about that argument here on the floor of the Senate. One can get quite dramatic and even glamorous in the discussion. The fact is, however, that these things must be argued in proportion to their reality.

The committee has been studying them for a long time. It is not possible to separate these elements the way the Senator would like to separate them. The best we can do under the circumstances is to make legislative history to the effect that where the situation we are discussing does not exist, these people should be brought under the umbrella of this supervision, and not harass them.

Mr. KERR. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. KERR. Why is it necessary to bring in those the Senator does not wish to regulate and who he says should not be regulated, and then attempt to make legislative history on the floor of the Senate which would say that they are not affected by the proposed act, whereas the fact is that they would be required to come here every 3 years and ask for a renewal of their license? They would have to hire lawyers to defend them here.

Mr. PASTORE. That is correct; that would be protection to them, as well.

Mr. KERR. Did it ever occur to the Senator from Rhode Island that there are hundreds and thousands of American businesses in operation who are praying unto the Lord and their Government to protect them by keeping them free of regulation, rather than imposing it on them and then having them depend upon a legislative record made on the floor of the Senate which, if someone downtown whose identity we do not know, is controlled by it, will let them loose after they have paid a bunch of lawyers in Washington to come down to get them loose?

The Senator says he cannot write a bill to protect these people. Apparently the Senator does not know his own ability.

Mr. PASTORE. Will the Senator heed for a moment?

Mr. KERR. I will heed for the rest of the afternoon.

Mr. PASTORE. There was not one representative of a CATV who appeared before our committee who did not say that he wanted to be regulated. I call as my chief witness the Senator from Oklahoma [Mr. MONRONEY], who is going to make the motion to recommit the bill. As a matter of fact, Senator MONRONEY introduced a bill himself to regulate the entire industry. However, that bill is only a shell. It does put them under regulation, but it does not regulate.

Mr. KERR. Next to not being under it, that is the best shape one can be in.

Mr. PASTORE. May I finish?

Mr. KERR. Certainly.

Mr. PASTORE. I do not know of a witness who appeared before our committee who did not say that he desired to go under regulation. The man who is resisting the bill and is the chief spokesman for the industry introduced a bill to put them under regulation. Why? Because he recognized the fact that it is not possible to separate these situations. As we develop this nationwide TV competitive system, from time to time we must drop in these TV stations. The only wise and businesslike way of doing it is the way it is suggested in the bill. I realize that the Senator is fighting the bill, but even if we were to rewrite it, the Senator would still be opposed to it.

Mr. KERR. No; not at all. If the Senator will rewrite it to protect the people he is talking about, I will help to pass it.

Mr. PASTORE. I have not been flattered by the Senator's statement with regard to my capacity to do what the Senator has suggested. I vouch for the fact that the bill was given very careful consideration. We drew this bill in committee. It was decided by the subcommittee and by the full committee that this is the way the law should be framed.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. BUSH. If I am correct in my understanding, the point about the timing is this. If there is town A in Idaho or Montana, and station ABY, a television station operating in that town, and there is an important program, and station ABY has a contract with one of the networks, the enactment of the bill would result in deferring the telecasting of a play perhaps for 24 hours, so that station ABY will not be at a disadvantage in delivering a late show or late news item.

What about national events or international events, such as the wedding of Princess Margaret, or the Kentucky Derby, or the World Series, or the inauguration of the President of the United States? How would such events be handled? Would those news events, which the people have been reading about and have been looking forward to seeing, be laid over for 24 hours?

Mr. PASTORE. No; they would not be laid over. First of all, that matter comes under the jurisdiction of the Federal Communications Commission for the making of rules and regulations. As a practical proposition, let us assume that the local television station has a contract with ABC, NBC, or CBS. If it is one station, it might have a contract with all three networks. A conflict would not arise too often, because the other station has, perhaps, three or four signals to show. Let us assume a newsworthy picture had been made, or a spectacular public event. In that case, I assume, the FCC would make rules which would be sensible.

Mr. BUSH. If we assume that the Senator is correct in his original point, concerning the layover——

Mr. PASTORE. Under the bill, the FCC is obliged to write appropriate rules. I do not know what construction the FCC will put on "appropriate"; but to me "appropriate" means proper or reasonable. I do not know what an appropriate rule is, unless it takes care of a situation.

Mr. BUSH. In a case like that, it seems appropriate that any important news event should not be withheld from the people for 24 hours.

Mr. PASTORE. I cannot imagine that the Federal Communications Commission would ever do any such thing. I should suppose there are many hypothetical situations which we could conjure in our minds which might prove the point. After all, this matter is being placed under the supervision of a Federal agency which has jurisdiction of such matters. It understands the business. It should know the business. I assume they would have given consideration to the word "appropriate," which would mean reasonable or fair. If we have lost all faith in the FCC, then I do not think we ought to have that regulatory body at all.

Mr. BUSH. What does the Senator think about the hypothetical case I raised? After all, it is important to television viewers.

Mr. PASTORE. I should say that in a case that might be of immediate import—for instance, Khrushchev's withdrawal of his invitation to President Eisenhower. He made that statement on Saturday night. I do not believe anybody should wait until Wednesday of next week to see such an event.

Mr. BUSH. What about current news events televised every evening?

Mr. PASTORE. I do not believe there would be any conflict concerning that.

Mr. BUSH. In other words, the Senator does not believe there would be any interference which would prevent the people in the areas concerned from getting the news of the day on that day?

Mr. PASTORE. No, because the local TV broadcasting station has only one signal. The other CATV station may have three.

Let us assume the local broadcasting station is showing the NBC news——

Mr. BUSH. Yes; but it would not get it until 24 hours later.

Mr. PASTORE. Why could not the CATV be televising CBS news with another commentator explaining it in a different way? There would still be two other channels.

Mr. BUSH. If I may say so, I do not believe the Senator from Rhode Island has given me much comfort on this question.

Mr. PASTORE. Why not? I will explain it again. The CATV has three or four signals to show. It shows different signals at different times over different channels. The local broadcasting station has only one channel. I should suppose that when it came to news, they would show such programs, and the duplication provision would not apply.

Mr. BUSH. In any newscast?

Mr. PASTORE. In any newscast. I do not know how it would be handled. It may have to be studied further. I hope it will be studied, and studied properly, because everyone knows that news items are of importance at the moment they occur, and may be rather stale tomorrow.

Mr. BUSH. What about sporting events?

Mr. PASTORE. The same would be true of sporting events.

Mr. BUSH. The world's series, and the Kentucky Derby.

Mr. PASTORE. There is no need to see the Kentucky Derby a week later, when the result has already been made known.

Mr. BUSH. That is correct.

Mr. PASTORE. It would not be included.

Mr. DIRKSEN. Mr. President, I should like to inquire of the acting majority leader whether or not it is intended to have the debate continue until late in the evening, or whether we may agree on a time for its disposition tomorrow. I understand there is no other proposed legislation crowding the Senate, and I know that a number of Senators have evening engagements. I thought perhaps we might agree on a tentative time for a recess or adjournment this evening, and then have the Senate go over until tomorrow.

ORDER FOR ADJOURNMENT UNTIL NOON TOMORROW

Mr. MANSFIELD. Mr. President, I should like to have the attention of the Senate, while I propose a unanimous-consent request.

I ask unanimous consent that when the Senate adjourns tonight, it adjourn until 12 o'clock noon tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that at the conclusion of the morning hour tomorrow, 2 hours be allocated to the motion to recommit; 1 hour be allocated to the passage of the bill; and one-half hour to any motion or amendment pertaining to the bill.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The unanimous-consent agreement, reduced to writing, is as follows:

UNANIMOUS-CONSENT AGREEMENT

Ordered, That effective on May 18, 1960, at the conclusion of routine morning business, during the further consideration of the bill (S. 2653) to amend the Communications Act of 1934 to establish jurisdiction in the Federal Communications Commission over community antenna systems, debate on any amendment, motion, or appeal, except a motion to lay on the table, shall be limited to one-half hour, and except a motion to recommit, on which there shall be 2 hours, to be equally divided and controlled by the mover of any such amendment or motion and the majority leader: *Provided,* That in the event the majority leader is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or some Senator designated by him: *Provided further,* That no amendment that is not germane to the provisions of the said bill shall be received.

Ordered further, That on the question of the final passage of the said bill, debate shall be limited to 1 hour, to be equally divided and controlled, respectively, by the majority and minority leaders: *Provided,* That the said leaders, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, motion, or appeal.

Mr. DIRKSEN. Mr. President, I should like to ask a question of the distinguished Senator from Rhode Island. It is my understanding that until 2 weeks ago the Federal Communications Commission was opposed to the proposal, and that it changed its mind. Is my understanding correct?

Mr. PASTORE. I would not say the Commission was exactly opposed to it. They were rather lukewarm, I should say, but they have modified their position.

Mr. DIRKSEN. It was my understanding that after they had made a serious study of the bill they indicated their opposition, but subsequently changed their mind.

Mr. PASTORE. I read a portion of the FCC position into the RECORD.

Mr. DIRKSEN. I thought it was rather singular that there were no minority views submitted with the report. I discovered afterward, in the course of conversation with members of the committee, that evidently this was an agreed-upon measure, and that the association representing the so-called antenna group had more or less agreed to the proposal. I understand now, however, that there has been a change of heart, and that along with it they have presented, not formalized particularly, some amendments which had not been considered by

the subcommittee. Is my understanding correct?

Mr. PASTORE. Not precisely that. I would not say they agreed to the proposal. They appeared to me to be satisfied. I do not believe they would ever go on record as saying, "We are agreed on it"; but we sat with the Senator from Arkansas [Mr. FULBRIGHT] in the office of Senator MAGNUSON, where certain amendments were proposed, and we agreed to accept some of them.

It was left that way. It was understood that when the bill came to the floor the Senator from Arkansas would offer the amendments and I would accept them. Then I understand that some members of the association became displeased with the whole matter. I was told that they were dissatisfied with the way the attorney had handled the matter, and that they planned to resist the bill.

Mr. DIRKSEN. I was given further to understand that they adopted some kind of policy at a meeting in Chicago, that they had a special meeting in Chicago, and that then the so-called community group had some discussion or controversy about an interpretation of their own policy. In pursuance of that, amendments were suggested which had not been considered by the subcommittee. The association acts on the theory that the amendments are necessary to make the bill workable from their standpoint.

I thought that if there were such amendments, that certainly would be an argument for recommitting the bill, in the hope that those amendments would be considered. I am not a member of the committee. I never saw such confusion about a bill. I talked with the chairman of the committee about it. I talked with other members of the committee about it. I find an amazing division of opinion on both sides of the aisle. I confess to my own confusion about it now.

If the distinguished Senator from Oklahoma [Mr. KERR] continues longer, I shall weep about it. As I understand, the FCC was opposed to the bill until about 2 weeks ago. Now they have changed their mind. The association seemed to be agreed on the bill; now it has disagreed. Frankly, I do not know quite where we stand on the measure. I am disposed to do the right thing.

Mr. PASTORE. I realize how easy it is to say that at the 11th hour. There is nothing that cannot always be reconsidered a little more, no matter what it is, even very important matters.

This bill means very little to me. As a matter of fact, much time has been devoted to consideration of the bill. It began in 1958. We have had protracted hearings. I have visited the various States involved. I have gone through all of this measure. I have had private conversations with these people. I even suggested that they submit amendments. I sat down with the Senator from Arkansas [Mr. FULBRIGHT], when the amendments were submitted to me; and studied the amendments. We agreed to submit them.

Now the Senator from Illinois says there are new amendments—which we have not seen.

Mr. DIRKSEN. They are not new.

Mr. PASTORE. Were they submitted?

Mr. DIRKSEN. Yes.

Mr. PASTORE. To whom were they submitted?

Mr. DIRKSEN. To me. Some told me there were amendments which had not been considered. I asked where they were. They said they had not been formalized.

Mr. PASTORE. But we do not consider amendments until they are submitted; and this measure has been on the calendar since 1959.

Mr. DIRKSEN. The amendments as such were not actually formalized. The suggestion was made to the distinguished chairman of the subcommittee, and that is as far as the matter went.

I have no idea what the amendments are. But this measure involves many people and many television viewers.

Mr. PASTORE. The Senator from Illinois has said he has no idea what the amendments are. Neither have I. But certainly if this measure is sent back to the committee, the bill will be killed.

Mr. DIRKSEN. Yes; and perhaps it should be; I would not know.

Mr. COTTON. Mr. President, will the Senator from Rhode Island yield to me?

Mr. PASTORE. I yield.

Mr. COTTON. As a member of both the full committee and the subcommittee headed by the Senator from Rhode Island—which considered the bill—I wish to state that I appreciate the courtesy of the Senator from Rhode Island in yielding to me.

First, I should like to say that I think the distinguished Senator from Rhode Island is justified in being a little vehement this afternoon, because—even though I am not satisfied with the bill, and have not been satisfied with it—I happen to have worked with the Senator from Rhode Island, and I know that he exercised the greatest patience and the greatest care throughout the consideration of the bill.

He says nothing "slippery" is in the bill; and I am here to state that anyone who knows the Senator from Rhode Island knows there never will be anything "slippery" in any bill he presents—at least, not to his knowledge.

The CATV people, for whom I shall speak before this debate is over—or, at least, the CATV people in New Hampshire—were misled, and some of us on the committee were misled, into agreeing to certain provisions. But the Senator from Rhode Island was not to blame for that. He was leaning over backward in his efforts to be fair; and I want that distinctly understood before I ask some questions.

I wish to refer now to section 330, subsection (d)(1), on page 4 of the bill. It reads as follows:

> Either prior to or within thirty days after the grant of an application for a license or a renewal thereof for a community antenna television system which was in operation on the date of the enactment of this section—

And, Mr. President, if I correctly understand the English language, those words cover a situation which exists in many sections of my State where there is no local station, and where the only means by which many persons can receive television is the community antenna—

> the licensee of a television station assigned to a community—

It does not have to be a television station that is in being. One who, under this bill, would be permitted to make a protest would not even have to have ever built a station. But in my State there are communities where a channel has been assigned. Such a station would never pay, never be economically sound, and no one now in that community will live long enough to see a local station built. Nevertheless, at the expiration of 3 years, someone who has had that privilege assigned to him, in a community—

> in which such community antenna television system serves subscribers may petition the Commission to include in such license such conditions on the community antenna television system's operation as will significantly facilitate the continued operation of a television station which is providing the only available locally originated television broadcast program service.

The last words of that provision are ambiguous. They may save the bill from being a hobble, for the CATV people in a community in which they are the only ones who are bringing this service to the people of the community. But if I read the bill correctly, it is very dangerous, because every 3 years almost anyone who had the privilege of building such a station whenever he might wish to build it could put the CATV "over the jumps"; and that would not be beneficial to the people of my State who are receiving piped-in television.

Furthermore—and after I ask this question, I shall be glad to listen to what the Senator from Rhode Island will very ably say in reply, I am sure—in such instances the bill means that the CATV people will not extend their service to the surrounding communities which do not now have adequate reception. Why not? Because the CATV people will not invest their money in the gamble of moving further into other sections, when hanging over their heads will be the threat of having someone else at the end of 3 years prevent them from getting a renewal, or impose on them a series of crippling restrictions.

Let me say that I was deceived, along with the rest. They said, "I guess it is all all right, and our lawyers tell us it is all right." I say very frankly that I was deceived, along with the rest; but I share the solicitude which has been expressed by the distinguished Senator from Oklahoma. I state frankly that in New Hampshire there is not a single case in which there is a local station and a CATV; but, nevertheless, I am afraid that subsection (d) of the bill will adversely affect all installations of that sort.

I have received many communications in connection with this matter. The communications I received are not worded exactly alike. The people of my State

began to be apprehensive about the situation a very long time ago, not just last week. That is why I am apprehensive about the bill.

I cannot help but believe that the bill can be drafted or redrafted so as to avoid any such situation.

Mr. PASTORE. Mr. President, I hope the Senator from New Hampshire will be patient, and will follow my reading of this part of the bill.

Mr. COTTON. I shall do my best.

Mr. PASTORE. I shall read this provision word by word; I refer now to subsection (d) (1), on page 4:

(d) (1) Either prior to or within thirty days after the grant of an application for a license or a renewal thereof for a community antenna television system which was in operation on the date of the enactment of this section, the licensee of a television station assigned to a community in which such community antenna television system serves subscribers may petition the Commission to include in such license such conditions on the community antenna television system's operation—

And, Mr. President, next come the important words—

as will significantly facilitate—

Facilitate what?—

the continued operation—

That means it has to be in existence, in order to be able to continue. So at this point we find the words—

as will significantly facilitate the continued operation of a television station which is providing—

Not "which may provide" or "which will provide," but "which is providing." How could any words more present in their tense than those be used?

Mr. COTTON. On page 4, the bill refers to a licensee of a local television station that is in operation. But on one page the bill refers to someone who has been assigned the privilege, and on the next page the bill uses the word "continued." I am aware of the interpretation which has been made by the staff of the committee.

Mr. PASTORE. The word "assigned" is in the past tense, and means the event has already taken place. The word "continued" means it must already be in existence. Something which is not in being cannot be continued; first it must be in existence.

In addition, the bill uses the words "which is providing"; and those words are in the present tense.

I say frankly that if Senators wish to begin to tear apart the words used in the bill, any kind of argument can be made.

But for the benefit of the Senate, I say it is quite clear that the bill is written in the present tense. It uses the words "the continued operation" and the words "is providing."

Mr. COTTON. Yes; but I should like to ask the Senator from Rhode Island to yield briefly again, and then I shall not bother him further.

First, I can name a situation in my own State. I refer to page 4 of the bill. And I am still just a simple enough country lawyer so that the language to me means what it says. On page 4 it says a licensee of a television station assigned to a community. I can name examples in my State where, for several years now, there has been a channel assigned to a community. No one has as yet constructed a station. No one has produced the capital for constructing one. I do not think there should be left in this bill a provision which states that someone may have the privilege, in trying to guard his own future, should he or should his heirs or assignees sometime get the money to build the station, cannot do it.

Mr. PASTORE. I will make the Senator from New Hampshire a fair offer. If he will agree to vote for the bill, I will agree to change the word "assigned" to "operating."

Mr. COTTON. The Senator from Rhode Island has already said he is distrustful of how we can legislate to protect those who need protection. I am distrustful of any kind of measure which we bring onto the floor and then try to legislate here. And it is not the committee's fault, may I say.

Mr. PASTORE. The Senator from New Hampshire misunderstands me. I have made the history for this proposal. I am not apologizing for the word "assigned." I am not apologizing for the paragraph. With all due modesty, I believe it is beautifully written. But I do not think it is going to impress the Senator from New Hampshire. No matter how I change it, he is going to vote against the bill.

Mr. COTTON. I know the Senator from Rhode Island finds it to be a very beautiful expression; but if he will turn to page 3, he will find on that page a provision which reads:

The provisions of sections 303, 304, 307, 308, 310, 311, 312, 313, 315, and 316 relating to stations, radio stations, broadcasting stations, licenses therefor, licensees thereof, and station operators shall apply also to community antenna television systems.

Then if the Senator will turn to page 36 of the Communications Act of 1934 and read page after page of all kinds of restrictions that are going to be put on the CATV operators by the provisions of the bill, he will realize that, though it may be beautifully written, it will be a "beautiful job" done on some people. And I am not thinking of the Federal Communications Commission, but of the people.

There is nothing slippery in it, but earnestly, sincerely, and beautifully, we put something in this bill that will put an end to free enterprise. If a local station is built that is good for anything, and if there are community programs that are good for anything, nobody in his right mind is going to pay for something which he can get free. That is a part of free enterprise.

Mr. PASTORE. Will the Senator from New Hampshire answer a question? The Senator knows, having a CATV in his community, that these operators are taking a signal out of the air which originates in a rather large city; I think in this particular case possibly Boston. There is a case pending at the present time which raises the question as to whether or not a CATV can take a signal out of the air and not pay the man who goes through the expense of originating it. That case is now pending. I do not know how the case is going to be decided. But let us assume it is decided that the CATV has no right to use that signal, that he cannot take that signal without permission, and unless he gets permission, he cannot use it and redistribute the signal to the viewing public who are his clients. In a case of that kind, who does the Senator think is going to hear from the people who have gone to the expense of installing a CATV system in their homes, and of paying for a television set? Who is going to protect those people who have installed the CATV system? Are they not going to come running to the Senator to have the Federal Government umpire the unreasonable charges that might be made, that might be confiscatory of their property? What are we going to do then? I just hope the junior Senator from Rhode Island is a Member of the Senate when that happens.

Mr. COTTON. The Senator asked a question. May I answer it?

Mr. PASTORE. Yes.

Mr. COTTON. I thank the Senator. If the courts, including the Supreme Court of the United States, in another of a long line of remarkable decisions, decides to throttle this industry, put it out of business, and choke it to death, then let them do it, and we will meet the situation when it comes. There is no need of our doing it first. I doubt if it will be done.

Mr. PASTORE. But there is a serious question pending in the courts. I am only hoping that what is feared will not happen. But I have told representatives of CATV systems that one of the essential benefits of this legislation was to have them come under an umbrella of regulation. They were told that if the broadcasters who originate the signals try to charge exorbitant fees in order for them to get permission to use those signals, they will always have the FCC in a position to act as a wise umpire, and they can look to the FCC. They were much impressed when I said that. They may have changed their minds when they got out in the corridors, but they were impressed when I told them that.

Mr. COTTON. They can do it with the bill as it is.

Mr. PASTORE. No, because the consent was left out of the bill. May I yield to the Senator from Oklahoma [Mr. KERR].

Mr. KERR. Did the Senator from Rhode Island say the Federal Communications Commission, which has control of the station whose signal is being picked up, could not control them without this act?

Mr. PASTORE. I did not say that.

Mr. KERR. That is what the Senator did say.

Mr. PASTORE. I said the CATV would not have any right to go before the FCC.

Mr. KERR. Who says they would not?

Mr. PASTORE. I say so.

Mr. KERR. Who prescribes that?

Mr. PASTORE. Because the Senator says they should be put under the CATV. That is just the point.

Mr. KERR. Cannot a person go into court and ask for justice, without being set aside by the court?

Mr. PASTORE. The FCC is not a court. It is a regulatory body. We are trying to put the parties under this body with appropriate procedures.

Mr. KERR. The Senator wants to make them slaves, without provision for protection of their lives. How silly can one get?

Mr. PASTORE. I am not silly. I am talking about jurisdiction.

Mr. KERR. So am I.

Mr. PASTORE. I am talking about jurisdiction, and there is nothing silly in it.

Mr. KERR. The Federal Communications Commission does not have to be given regulatory control over any citizens to enable those citizens to go before that Federal Communications Commission and file a petition.

Mr. PASTORE. A petition to do what?

Mr. KERR. To enforce any right that an American citizen has with reference to that Commission's jurisdiction.

Mr. PASTORE. The Senator could not be more wrong than he is.

Mr. KERR. Well, the Senator has proved that one Senator can be wrong.

Mr. PASTORE. I do not know about that. I have not proved any such thing. I am merely saying to the Senator that the purpose of this bill is to put the CATV's under supervision of the FCC so they can file petitions and FCC can take appropriate action.

Mr. KERR. And I am saying they do not have to be put under the FCC.

Mr. PASTORE. And I am saying the Senator is wrong.

Mr. KERR. And I am saying the Senator does not know what he is talking about.

Mr. PASTORE. So we are at a stalemate.

Mr. BARTLETT. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. BARTLETT. I intend this to be a dampening interlude. I refer to a situation the distinguished and able and forthright Senator from Rhode Island and I last discussed several months ago, about three television stations in Alaska which originate their own signals by means of regular station television equipment.

The signal is then fed into a coaxial system and distributed to homes and subscribers who pay a monthly fee for the service. These stations do not receive or amplify signals originated by a television station. The programs provided are on film, except for certain local programs originated by the station.

I wish to ask the distinguished chairman of the subcommittee, would such stations be included in the definition of a community antenna television system, which the bill would regulate?

Mr. PASTORE. No. This bill would not apply, for the simple reason that those stations originate their own programs and are exempted from the provisions of the bill.

Mr. BARTLETT. Would the Senator have any objection to my asking unanimous consent at this time to have printed in the RECORD a very useful and explanatory letter which the Senator wrote to me on this very point on January 6, 1960?

Mr. PASTORE. I have no objection.

Mr. BARTLETT. I ask unanimous consent to have the letter printed.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE,
January 6, 1960.

Hon. E. L. BARTLETT,
U.S. Senate,
Washington, D.C.

DEAR SENATOR BARTLETT: This will acknowledge receipt of your letter of December 29, 1959, in which you refer to S. 2653, a bill which would amend the Communications Act of 1934 to establish jurisdiction in the Federal Communications Commission over community antenna systems.

In your letter you refer to three operations which distribute television programs by wire in Sitka, Ketchikan, and Nome, Alaska. These systems, as you indicate, do not receive or amplify signals that are originated by a television station. They merely provide film programs which are transmitted over wires in a closed circuit fashion for subscribers.

In your letter you state it is clear from a reading of S. 2653, and the report accompanying it, that the bill does not intend to cover situations such as those operating in Sitka, Ketchikan, and Nome. The definition of a community television system that is intended to be regulated under the provisions of S. 2653 is as follows:

"(hh) 'Community antenna television system' means any facility performing the service of receiving and amplifying the signals transmitting programs broadcast by one or more television stations and redistributing such programs, by wire, to subscribing members of the public, but such term shall not include * * * (3) any such facility used only for the distribution, by wire, of programs for which a charge is imposed generally on all subscribers wherever located, and which are not in the first instance broadcast for reception wthout charge by all members of the public within the direct range of television broadcast stations."

You will note that it is very specific in defining a community antenna system as a "facility performing the service of receiving and amplifying the signals transmitting programs broadcast by one or more broadcast stations and redistributing such programs by wire to subscribing members of the public."

In addition, on page 12 of the committee report, the following statement with reference to the definition of a community antenna television system appears:

"This section defines the term 'CATV system' as a facility performing the service of receiving and amplifying the signals transmitting programs broadcast by one or more television stations and redistributing such programs by wire to subscribing members of the public. However, it does not include (1) any such facility which serves fewer than 50 subscribers; (2) any such facility which serves only the residents of one or more apartment dwellings under common ownership, control, or management, and commercial establishments located on the premises; or (3) any such facility used only for the distribution, by wire, of programs for which a charge is imposed generally on all subscribers wherever located, and which are not in the first instance broadcast for reception without charge by all members of the public within the direct range of television broadcast stations."

Therefore, your understanding of the legislation is correct. As you know, the bill is presently pending on the Senate Calendar and probably will be taken up soon after the session begins.

If I can be of any further assistance, please let me know.

Sincerely yours,

JOHN O. PASTORE.

Mr. BARTLETT. I thank the Senator.

Mr. MONRONEY and Mr. McGEE addressed the Chair.

Mr. PASTORE. I yield to the Senator from Oklahoma.

Mr. MONRONEY. My only reason for asking the Senator to yield at this time is that reference was made by the Senator a few moments ago to the fact that I introduced a regulatory bil.

Last year the committee had already scheduled hearings on S. 1739, S. 1741, S. 1801, and S. 1886. I then introduced S. 2303. I mention this sequence merely to show that there were four bills pending which would have done great violence to the CATV industry.

In order to have before the committee the industry's position as to the nature of the regulation, should any be required, I introduced my bill.

I will say to the Senator from Rhode Island that during the hearings the distinguished Senator did a great service for the CATV industry, by excluding from the reported bill the provision which would have permitted the original broadcaster to control the programs, as many of the bills provided. The Senator would not accept that as a part of the bill. Many other features of several of the bills would have been detrimental to the CATV industry.

After the hearings, when I was home in the late summer, I conferred with the members of this great industry in my home State. I was informed that they had considered what advantages they might receive from regulation and what disadvantages it would impose. Their position at that time was that they did not seek to be regulated and to be given licenses, even though they might be given "grandfather" licenses. At that time these men asked me to oppose the bill.

The day the distinguished Senator from Rhode Island reported the bill from the committee I filed an objection against consideration on the Consent Calendar. I am not a "Johnny come lately" who is suddenly disturbed about being "lobbied" by a few TV station owners. My objection to the bill was known to the committee and was filed on the day the bill was reported.

I think it is quite important, Mr. President, that we realize these men represent a very small industry, portions of which are operating in widely divergent areas. They felt they were led astray a bit by following the advice of some Washington lawyers, who do not think that regulation and licensing every 3 years is a very bad idea. Certainly, I do not think the average industry or the average business wishes to be licensed.

If the Senator will yield a little further, I should like to make one more thing clear.

The latest expression from the Federal Communications Commission was filed yesterday in regard to the House bill, H.R. 11041, which is exactly the same as the bill, S. 2653.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point the comments of the Federal Communications Commission on H.R. 11041.

There being no objection, the comments were ordered to be printed in the RECORD, as follows:

COMMENTS OF THE FEDERAL COMMUNICATIONS COMMISSION ON H.R. 11041, "A BILL TO AMEND THE COMMUNICATIONS ACT OF 1934 TO ESTABLISH JURISDICTION IN THE FEDERAL COMMUNICATIONS COMMISSION OVER COMMUNITY ANTENNA SYSTEMS," IDENTICAL TO S. 2653

H.R. 11041 would create a broad Federal regulatory authority over community antenna television systems by applying to them a prohibition against operation without a license from the Federal Communications Commisison, comparable to that now described in section 301 of the Communications Act with respect to radio transmission apparatus.

The bill defines a "community antenna television system" in the same manner as the Commission has suggested in legislative recommendations made in the spring of 1959 and which are now embodied in H.R. 6748. It would also except community antenna television systems from the definition of "common carrier" in section 3(h) of the Communications Act and thereby make clear that the bill does not authorize the regulation of such systems as "common carriers" under title II of the Communications Act—an objective in which the Commission fully concurs. The remainder of the bill would include in one new section of the act section 330, the text of the new provisions and a reference to those existing provisions of the Communications Act of 1934 which are to be brought into play under the proposed regulatory scheme. It is noted, however, that the bill would not apply section 325(a) to CATV so as to require them to obtain the consent of originating television stations to CATV redistribution of their signals. The application of this requirement to CATV was included in the Commission's legislative proposals so as to place community antenna television systems on the same footing as other television repeater services in this regard.

The bill includes a statutory determination that the licensing of present program services of existing community antenna television systems would be in the public interest. While this provision would "grandfather in" existing systems, their licensing would still be subject to the prohibition of section 310 against alien ownership, and licenses so granted would still be subject to the revocation and antitrust provisions in sections 312 and 313 of the present statute. The bill would permit local stations to request the Commission to subject licenses issued under this "grandfather" provision, to conditions as to CATV operations which would significantly facilitate the continued operation of the station if it is providing the only locally originated television broadcast service in the community. It would appear that the impact of these provisions is to permit the imposition on existing CATV's of appropriate operating conditions, such as a limitation on the number or source of the signals redistributed by it but not to authorize a complete denial of a license application for an existing CATV system. The bill would apply a public interest standard for the grant of licenses to new CATV systems and of modification of licenses of existing systems—that is, that findings as to the public interest and necessity of the grant shall be made with due regard for the desirability of facilitating the continued operation of a television station which is providing the only available locally originated broadcast service. However, as distinct from its effect upon existing systems, the application of this standard to requests for new systems or the addition of new program services by existing systems would authorize the complete denial of such a request. Another distinction in the bill as between existing and new systems—procedural in character but of substantive effect—would establish new hearing procedures and rights with respect to the licenses of existing systems but would make the issuance of licenses for new systems or modifications of existing ones subject to the protest procedures set forth in section 309 of the Communications Act.

The new section 330(f) which is proposed by H.R. 11041 follows the Commission's legislative proposal to require CATV's to carry the programs of a local television station upon the latter's request and would permit the promulgation of rules by the Commission to assure that reception of such programs via the CATV systems would be reasonably comparable in technical quality to other programs redistributed by the CATV.

The bill would require the Commission to promulgate rules and regulations so as to preclude the duplication of programs of a local station by the CATV system serving subscribers in the same community. In promulgating such rules under the authority, the Commission is again called upon to give due regard to the desirability of facilitating the continued operation of a television station which is providing the only available locally originating television service.

The Commission's continuing study of the CATV local station problem leads it to favor what it understands to be the basic underlying objectives of the proposed legislation. The bill would encourage local television broadcast station operation by extending some protection against inequitable competition by unlicensed television services and, at the same time, recognizes the public benefit in the provision of multiple program services by CATV systems. It may be noted that these objectives form the basis of two of the priorities set forth by the Commission in its sixth report and order for the assignment of television channels.

The Commission's earlier examination of the CATV local station problem and its views with respect thereto are reflected in its report and order in docket No. 12443, which was adopted on April 13, 1959. In that document the Commission set forth the reasons for its view that an all-encompassing jurisdiction over CATV systems, through mandatory licensing requirements under the Communications Act, was neither necessary nor desirable in the public interest. However, in an attempt to reach some of the objectives reflected in H.R. 11041, the instant bill, and to permit some adjustment of the unfair competitive situation of TV stations as against CATV systems, the Commission did recommend the enactment of legislation which would (a) require that CATV's obtain permission of stations whose broadcast signals they redistribute; (b) require that, upon request by any local TV station, the CATV system carry the program broadcast by the local station; and (c) authorize the Commission to promulgate rules to assure that in broadcasting local station programs the CATV system will take reasonable measures to provide a picture of reasonable technical quality. These recommendations were submitted to the Congress and are now embodied in H.R. 6748 and S. 1801.

Thereafter, the Commission initiated a field inquiry into the general subject of TV repeater services and particularly into the problems encountered by local stations in communities served by a CATV system. This inquiry was made by a member of the Commission and staff officials during August 1959 in the States of Colorado, Idaho, Montana, Washington, and Wyoming, and the views of various organizations and individuals who reflected all sides of the local station-CATV controversy were obtained. As a result of its further consideration of this problem in the light of the information obtained since the issuance of its Report and Order in Docket No. 12443, the Commission is in accord with the approach taken in subsection (g) of the proposed legislation as it looks to the prevention of the duplication of local station programs by a CATV system. It would appear that the ability of CATV systems, operating without any Federal statutory restrictions, to intercept first-run programs broadcast by stations in large metropolitan areas and to redistribute them to subscribers in a small community in advance of the broadcast of that same program by the local station, gives rise to an inequitable competitive disadvantage which the local station is unable to overcome by any reasonable means within its control. Although this disadvantage may not be precisely measurable, there is ample recognition of the differing commercial values of TV program transmission, based on factors of time and area, in the long established practices of the motion picture distribution and exhibition field as well as in the broadcast industry itself. Also to be considered is the fact that under a national policy which looks to the provision of as many radio services as possible to as many people as possible, the duplication within a reasonable period of time of a program broadcast or about to be broadcast to all the people of a community by a local station would appear not to be in the public interest.

While in accord with the general objectives of H.R. 11041, the Commission is of the view that broadscale legislation establishing a mandatory licensing scheme for all CATV systems may work a result far beyond its apparent purposes. The bill may well have the effect of requiring that a substantial, if not complete preference be given to a local television station against any new CATV system or any enlargement of an existing one, without adequate regard to the multiple program services which would thereby be provided. More importantly the Commission is of the view that the objectives of this bill would best be achieved; that ample protection would be afforded local stations; and that inequitable competitive disadvantages would be largely eliminated, if the Congress were to adopt legislation to—

1. Amend section 325(a) of the Communications Act so as to make it applicable to CATV systems.

2. Require that upon request by any local TV station, a CATV system shall carry the programs broadcast by the local station.

3. Authorize the Commission, by rule or order, to prescribe standards to assure that the reception of local programs via a CATV system shall be reasonably comparable in technical quality to other programs redistributed by the CATV.

4. Authorize the Commission to prescribe appropriate rules and regulations to prevent the duplication of local station programs by a CATV system.

The Commission must also note that H.R. 11041 would require the licensing and regulation not only of CATV systems which may be established in the future but also of the some 500 to 700 systems which are already in existence. CATV systems already exceed in number all the local TV broadcast stations and it's obvious that a proper administration of the licensing system established in

the bill would require substantially more personnel and appropriations. It would therefore be vital that the enactment of such broad legislation by the Congress be accompanied by supplemental appropriations sufficient to enable the Commission to handle the substantially increased tasks that would be imposed upon it. However, even were the necessary funds and staff made available, the Commission does not believe that a licensing system for CATV's could, in practice, serve the underlying objectives of the bill any more effectively than is possible, at far less cost, through enactment of the regulatory provisions listed in the preceding paragraph.

SEPARATE VIEWS OF COMMISSIONER JOHN S. CROSS

I concur with the preceding views of my colleagues with the exception of the full paragraph in the center of page 3 and with recommendation "4" on page 4.

Subsection (g) of H.R. 11041 would prevent the duplication of local television station programs by CATV systems. It would not, however, prevent similar duplication by other TV repeater services (satellites, translators, and boosters) which provide signals to the areas served by local TV stations. In my judgment, effective nonduplication of local station signals cannot be accomplished by such halfway measures; if CATV systems must not duplicate the programs of local TV stations, then all other TV repeaters should be required to protect local stations from duplication. In sum, this means simply that either all or none should be confronted with such an obligation.

Moreover, even if all TV repeaters were required to avoid duplicating local station programs, I am not convinced that compliance with such a mandate would prove practicable and workable. After an exhaustive study of this overall problem, this Commission considered the public interest would best be served by carrying out the finding and conclusions reached in its report and order of April 13, 1959, in docket 12443. I voted for the adoption of docket 12443 and nothing has occurred in the interim to persuade me that the public interest would be served by changing it. Docket 12443 has this to say on the subject (FCC 59–292, pp. 40–41):

"95. Another suggestion made by various broadcasters is that there be a rule against the CATV duplicating programs carried by the local station; sometimes this request is confined to programs being presented simultaneously, but other broadcasters request that the CATV not be allowed to present ('live' or 'first run') programs to be presented later by the local station. There are further requests that the local station be given the first refusal, as against presentation on the CATV system, of all programs of its network, and that indeed the CATV not be permitted to present any of that network's programs.

"96. We cannot agree to adopt or support any of these suggestions. Certainly, with respect to anything more than the barring of simultaneous duplication, we believe this to be an unwarranted invasion of viewers' rights to get 'live' programing if they are willing to pay for it. The suggested rules restricting presentation of the programs of the local station's network would appear to be cumbersome, if not completely unworkable, especially considering that many stations in small markets, including some of those covered in the record, present programs of two or even three networks. As to the prevention of simultaneous duplication, it is true that this would involve no loss of program service to the community; but it would appear to present substantial inconvenience, not only to viewers (who would have to keep switching channels to follow a particular network) but to the auxiliary services (presumably translators would have to be treated the same way), who would have to keep turning their installations on and off."

Mr. MONRONEY. Mr. President, I shall read a portion of the comments on the House bill.

The Commission must also note that H.R. 11041 would require the licensing and regulation not only of CATV systems which may be established in the future but also of the some 500 to 700 systems which are already in existence. CATV systems already exceed in number all the local TV broadcast stations and it is obvious that a proper administration of the licensing system established in the bill would require substantially more personnel and appropriations. It would therefore be vital that the enactment of such broad legislation by the Congress be accompanied by supplemental appropriations sufficient to enable the Commission to handle the substantially increased tasks that would be imposed upon it. However, even were the necessary funds and staff made available, the Commission does not believe that a licensing system for CATV's could, in practice, serve the underlying objectives of the bill any more effectively than is possible, at far less cost, through enactment of the regulatory provisions listed in the preceding paragraph.

Three of the purposes of the bill before us are endorsed by the Commission.

The Commission agrees that it would be desirable, upon request by a local TV station, to have a CATV system carry the programs broadcast by the local station in a one-station area. That is almost universally done, without any law requiring it.

Secondly, the Commission believes it should be authorized to prescribe standards to insure that the reception of local programs under a CATV system is reasonably comparable in technical quality to other programs redistributed by the CATV system. The technical quality of the signal of the local station over these systems is usually identical with the network station being picked up.

A third position is recommended, which these men feel they cannot follow, which has been debated at length. Perhaps a moment more will help to straighten us out on that matter.

The Commission recommends, with one Commissioner dissenting, that the Commission be authorized to prescribe appropriate rules and regulations to prevent the duplication of local station programs by a CATV system.

Why do these men object to that? It is simply that these are small businesses. The average is perhaps 400 or 500 subscribers to a system. To do as requested would require the manning of some sort of monitoring arrangement by an engineer in order to cut duplicating programs off. The man would have to have in front of him a list of programs which might be duplicating with regard to the local station.

For that reason these men feel that this would entail substantial expense for additional employees on the payroll. In the smaller type of operation this would be a considerable burden, and it would represent a large portion of the profit for many CATV systems.

The Commission believes it does not need the bill. The Commission does not wish to license every CATV, but recommends these three things, two of which are being done almost universally, without legislation.

Mr. PASTORE. Mr. President, to come back to the point of beginning, I wish to say that to my State passage of this bill means little or nothing. Handling the bill was my responsibility, and I have performed it to the best of my ability. We gave the subject long hours of consideration. We gave it intense, deep study. We came forth with a bill which met with the approval of the subcommittee and of the full committee.

I have visited the State of my friend from Colorado [Mr. ALLOTT]. I have visited the State of my friend from Wyoming [Mr. MCGEE]. I have visited in Montana. I went to the States which have the problem. There are CATV systems in those States. I visited the State of my friend from Idaho [Mr. CHURCH]. There are local broadcast stations, as well.

I have said all that I care to say. I have tried to be as persuasive as I can be. If it is the intent and the purpose of the Senate to kill the bill, that is entirely up to the Senate.

As of this moment, I think those who have the problem ought to rise and speak. I hope they will speak eloquently enough so that whatever we do we shall not affect anyone unduly. I hope we will take care of the band of little people who have only one available station, who hope that they can see one little program one little evening on some weekday in their little bailiwicks out in the Midwest.

That was the only purpose of the Senator from Rhode Island. It is the only objective of the bill. If Senators want to send the bill back to slumber forever, that is entirely the responsibility of the Senate.

Mr. KERR. Mr. President, will the Senator yield?

Mr. PASTORE. I think I have said all I care to say.

Mr. KERR. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. KERR. Why does the Senator not present such a bill and let us pass it? Why bring before the Senate a bill which would regulate 100 little people who do not want the bill, in order to protect 1 group of little people who, if they are entitled to protection, will have it without a voice in the Senate being raised in opposition?

Mr. PASTORE. The Senator from Rhode Island has explained that. I have explained it as completely as I can. That is the way it stands. That is the way it is.

Mr. KERR. Take it or leave it?

Mr. PASTORE. I do not think we can agree to the suggestion made by the distinguished Senator from Oklahoma. It has been a joy to debate this issue with the Senator this afternoon. It is always a pleasure to do so. I have always enjoyed debating with the Senator, not only today but also in the past.

I have stated how the matter stands. This is the bill approved by the committee. From now on we shall hear from the men who have problems in their own States. Then we will calmly come to a vote. Whatever is the vote of the Senate, I shall accept it with good grace. I sincerely hope that the bill will be passed.

Mr. McGEE. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. McGEE. As a spokesman for one of the States very deeply involved in connection with the bill, I should like to say, first, that if ever an individual operated above and beyond the call of duty, it has been the chairman of the subcommittee. It was my strong impression everywhere he went in that part of the world where he ordinarily had no business to be that the fairness with which he conducted the hearings and the depths to which he probed the problems involved arouse admiration on all sides. I personally can report that the people who now stand in opposition came away singing the praises of the fairness of the subcommittee's conduct. This was the on-the-spot reaction before the great mobilization began. I wish the chairman to know that those of us in the mountain West shall be forever grateful for his great scholarship, fairness, and skill in handling a difficult question ordinarily so foreign to the chairman, in the interest of our section of the country.

Never do I recall, in the 15 months which I have been a Member of the Senate, one man standing alone so eloquently and so effectively against so many. I think this demonstration will go down as one of the most effective performances in the history of the Senate. In the closing minutes of the assault a number of questions have been raised which I think ought to be set straight for the RECORD.

The distinguished minority leader asked, "Where are the amendments? What has happened to them?" I ask the Senator from Rhode Island if on every desk there is not a copy of the amendments at stake and also if each of the amendments is not printed in the CONGRESSIONAL RECORD of May 10?

This is not a sneak attack. This measure has been advertised, the amendments have been submitted, and accepted by the subcommittee. Is that not the case?

Mr. PASTORE. The junior Senator from Rhode Island is not impressed by a last-minute assertion that there are certain amendments which have not been stated. Anyone who has followed the history of the bill, anyone who has attended the hearings, anyone who has attended the conference, anyone who has talked to the people on both sides of the issue, well knows that everything pertinent has been considered. We studied the amendments suggested. We had a meeting. I believe the distinguished Senator from Wyoming attended that meeting and will recall the personal unfortunate incident which caused me to return to Rhode Island. I had to leave the meeting rather early. But we met for the purpose of considering the amendments. We agreed we would accept the amendments. We said so in the office of the Senator from Washington [Mr. MAGNUSON].

At the last minute it is said that we did not consider the amendments. That is said by Senators who are going to vote against the bill anyway. No matter how I agree to amend the bill, Senators who are opposed to it will still be opposed to the bill. We recognize that these are only arguments made on the floor, and we are not carried off by them.

I repeat: This is the bill we have presented. The bill will not be sent back to be improved. The bill, if sent back to committee, will be sent back to die. We know that. If the opponents of the measure do not want CATV to come under the supervision of the FCC, that is satisfactory to me. But I think the public interest demands it. I think for their own sake CATV would be better off if they did come under FCC. Surely in those areas of the country which are represented by the distinguished Senator from Wyoming we need this kind of measure if we are to have free television for those who cannot afford to pay the fee, who cannot afford to have to pay for television. In many instances those people live in places where, even if they could afford it, they could not get it anyway. That is a situation the bill takes care of.

Mr. McGEE. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. McGEE. The distinguished Senator from New Hampshire raised a point of interpretation of the bill itself. Is is not true that the point he raised was included and encompassed in the amendments to which we had agreed, and which are printed in the RECORD? This question is raised only as a factor tending to confuse rather than to spell out honest differences on the bill.

Mr. PASTORE. The Senator from Rhode Island is a great admirer of the distinguished Senator from New Hampshire [Mr. COTTON], and certainly I would not wish to say anything which could be construed as being in derogation of him. But the fact remains that the Senator from Rhode Island knows the Senator from New Hampshire is opposed to the bill. No matter how I might agree to amend the bill, I know he would still oppose it. Some questions were raised. I think the issue is abundantly clear. Representatives of the industry suggested a change here and there. We said, "If it will make you happy, we will accept the change, but not a change of the meaning." We were ready to make history to that effect. As a matter of fact, we were so agreeable that I think they became a little ambitious.

Mr. McGEE. At least they became a little overconfident, or maybe properly confident, as appears.

Mr. President, will the Senator yield for another question?

Mr. PASTORE. I yield.

Mr. McGEE. Is there not another aspect of the continuance of local broadcasting stations beyond the service that a single station renders in itself? Does that not stem from the interest of the booster population; that is, the group in the mountain West which must depend upon booster TV reception as their only signal?

Mr. PASTORE. That is true.

Mr. McGEE. The booster extends the range of the broadcaster's own live signal?

Mr. PASTORE. That is true. I visited a town which had a population of no more than 400 or 500 people. On top of a hill a booster had been installed. The people of the town had contributed to pay for the installation. It was a nonprofit venture. It was a kitchen-type booster. But they installed the booster at their own expense. That is how far people will go to get a signal. Those are the people who are trying to have the bill enacted. They have the booster. They amplify the signal and send it to a town of 400 or 500 people who have no other television. That is the only television they have. They have only the one signal. Those are the people we are trying to protect.

Some industry representatives are saying, "We are the little people." They are the little people who are running around in air-conditioned Cadillacs.

Mr. McGEE. Mr. President, will the Senator yield for a final question?

Mr. PASTORE. I yield.

Mr. McGEE. Is it not true that there are large centers of the West which under no circumstances can receive a TV signal? I think at once of a community in the State of the distinguished Senator from Colorado [Mr. ALLOTT], who is now standing and waiting to address the Senate. I refer to the community of Grand Junction, a city of 40,000, with one live TV station. Through boosters it serves an additional 55,000 people, nearly 100,000, all told.

Without that service, with only community antenna television, the 40,000 might be serviced, but the 55,000 are left out without service. I think of the Saratoga Valley in my own State, a community of 700, where the community antenna people refused to go in because they could not make it pay, and the people would get it in no other way than by boosters. I think of the ranching area which the distinguished Senator from Oklahoma [Mr. KERR] represents. This area would be turned down by the community antenna people because they could not afford to give them TV. I say the citizens in my State and in the State of the distinguished Senator from Colorado [Mr. ALLOTT] and, indeed, all the people of the West, have a right to be first-class TV viewers and citizens and not second or third class.

This is the great and noble cause to which the Senator from Rhode Island, who comes from the "down East" country, has labored so courageously, and I want him to know our deep appreciation.

Mr. PASTORE. I thank the Senator.

I yield to the Senator from Kansas.

Mr. CARLSON. Mr. President, I served for many years with the distinguished Senator from Rhode Island [Mr. PASTORE] when he was Governor of his

State, and during his service in Congress, and I have been greatly impressed by his presentation this afternoon of a bill that is of concern to me and to many others. I may be the only Member of the Senate who lives in a community where we have CATV piped into our own stations. There has been a great deal of discussion about the effect of the bill in communities where there is a local TV station. We live in an area where we are proud to receive and, in fact, delighted to get, CATV. As a matter of fact, until we secured it in our hometown, we could not get Kansas weather reports except through the State of Nebraska. I do not think it is unfair to state that we are paying $7 a month for it. We wish we did not have to pay, but we are delighted to pay that sum.

That is the group of people about whom I am concerned.

I have been very diligent on the floor this afternoon. I sincerely hope that nothing will be done which will interfere with the antenna TV systems, because it is only through these systems that the people can get programs in many great areas of the country.

Mr. PASTORE. Mr. President, I say with all the honesty and sincerity at my command that the bill may present a little inconvenience—because these people will have to file for licenses, but that will be perfunctory in most cases—even if the Supreme Court rules that the broadcasters have no proprietary right in the signal which they originate, insofar as the particular locality from which the distinguished Senator from Kansas comes, that locality might not be affected, even if the bill fails. The fact is that if the Supreme Court should rule that they are capturing a signal out of the air and commercializing that signal, over which the broadcasters have a proprietary right, then serious trouble can ensue. The best thing that could happen to these people, in such a situation, would be for the bill to be passed. If the bill were passed, they would be placed under the control of the Commission which not only has supervisory authority over the broadcasters, but would have authority and responsibility over CATV as well. I know that if the Supreme Court decision goes against them, they will come rushing to the Senator and to me, but then it may be too late. I hope the representatives of CATV in the galleries will listen attentively to what I am saying. I pointed this out to the representatives of CATV, and they seemed to listen attentively. I received the impression that they understood precisely what I was trying to say.

I hope the Supreme Court will not disturb the present practice. However, if the Supreme Court should rule that since the broadcasters put out the picture at tremendous cost, it is not right to take that picure without permission and commercialize it. Other people cannot take the signal of a baseball game, for example, and commercialize it without paying for it. Therefore I say that the passing of the bill could be the best thing that could happen to them.

These CATV people claim that they stick up an antenna and take the program out of the air and thereby create a business. They say that they are free to do it, and it is nobody's business what they do. That is all well and good if they are right. If they are wrong, however, then the passing of this bill, as I have said, is the best thing that can happen to them.

Mr. CARLSON. I wish to state that the Senator from Rhode Island has completed an outstanding task this afternoon in presenting this subject to the Senate. It is a matter of great concern to many of us.

Mr. MOSS. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. MOSS. I appreciate the outstanding work which has been done by the distinguished Senator from Rhode Island as chairman of the subcommittee. He came to our State of Utah and conducted hearings there. We have communities in Utah which cannot receive a signal even though they have boosters. I do not see how it can be said that with respect to an industry which is regulated by the Federal Communications Commission, so far as television stations are concerned, when the Senate has already passed a bill regulating boosters and translators, the community antenna systems should not be regulated at all. I believe all of them should come under the same Commission. They are in the same general business of distributing signals to people. Therefore I should like to ask the Senator from Rhode Island if he does not believe that the only way we can get a continuity of a system in this whole field is to bring all the mediums under the regulation of the Federal Communications Commission, which has the obligation of regulating in the public interest?

Mr. PASTORE. I hope the industry people in the galleries are listening. They too are using franchises, and poles, and stringing wires, and using the air. They could very well be classified as common carriers in their States. They could come under the public utilities commissions. They have already started to do that in Montana, and I believe also in Utah.

Mr. MOSS. We have passed a law in Utah.

Mr. PASTORE. They are doing it in Colorado, I understand. That is all right with me. I would be agreeable, if the bill does not pass, to adopting a resolution to the effect that it is the sense of Congress that this is a responsibility of the States; the States should take control.

However, because I think that there are many captive customers—people who have bought their television sets. They are charged so much a month for CATV service. I believe they should be protected. We must remember that after the system is installed, there is nothing to prevent the fee from going up to $15. These are people at the end of the line, like natural gas customers, and more or less like all utility customers. I do not say the situations are strictly analogous. The question is, Shall we put CATV operators under Federal regulation, because they are connected with the television industry, or do we wait until they are put under State regulation?

Some change is inevitable. The present condition will not exist much longer. There is the kind of situation that has been brought out with respect to Kansas. Certain localities cannot get any kind of television reception unless the people buy TV. That is pay TV. They are paying for the privilege of receiving it, just as a charge is made when a gas main is installed and a person has to pay a certain amount each month. Perhaps while business is good and the CATV operators supplying the need are satisfied with a fair return on their money, the fee may be moderate, but that fee could go up.

We took care of CATV operators in the bill. We said we will not consider them common carriers and put them under the utility formula. We placed them under the Communications Act, title III. In a large measure I think that is protection for CATV.

We have heard a great deal of talk about little people who are engaged in this business. That is largely fancy. There are those that have 40 or 50 customers, but we know of cases where a system has been sold for over a million dollars. I am not making a point of that.

Mr. ALLOTT. Mr. President, before starting my remarks on the pending bill, I must say, as others have said before this afternoon, how much I admire the very outstanding work the Senator from Rhode Island has done on the floor of the Senate with the bill.

I had the opportunity to be with the Senator from Rhode Island in Colorado at the time he held hearings in that State. The subject of the bill is one charged with great emotionalism. I believe there is far more emotionalism in it than is justified by the circumstances. I sat with the Senator in the hearings. The Senator from Wyoming [Mr. McGEE] also was present, I believe. I listened to the testimony which was given at that time. I also expressed my views. If anyone says that there is some idea which has not been considered by the committee, I would ask him to pick up the hearings which were held by the subcommittee presided over by the Senator from Rhode Island. Very few ideas and concepts, indeed, relating to this subject exist which were not discussed and considered in the hearings. Therefore, I shall confine my remarks today primarily to two aspects of the measure. One is the aspect of a reasonable approach to the question; the other is the aspect of no approach at all.

I can see no reason for anyone being against CATV per se. It is only in the areas where it becomes unfair competitively with those who are already in the area by license that the question arises. This is the first problem which must be recognized.

The first problem, linked to the second, is that of survival for the original broadcaster. I refer here to the television stations in smaller communities

which have rendered a great public service since their inception. These smaller TV stations were constructed at great risk by farsighted broadcasters who were willing to take a chance on their own future in order to enhance the future of their neighbors.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. ALLOTT. I yield.

Mr. PASTORE. Is it not true that broadcasters are under contract and must pay for the pictures they show?

Mr. ALLOTT. That is entirely correct. I intended to bring that out, but since the Senator has been so kind as to raise the question, I may say that not only have these people been entrepreneurs in the best sense of that word in seeking to establish new service for their community, but they have already subjected themselves to licensing by the Federal Communications Commission; and they have paid and must continue to pay for the services which they give to their neighbors.

How do they pay? They have to sell advertising in their own community in order to pay for it.

No more thorough investigation of this problem has been made than that which has recently been concluded by the subcommittee under the chairmanship of the distinguished junior Senator from Rhode Island [Mr. PASTORE]. They made the same kind of investigation into the booster situation, and last year the Senate passed the bill on that subject.

I do not know how anyone to whom a piece of proposed legislation means less personally than this bill means to the junior Senator from Rhode Island could possibly have devoted himself so assiduously and so objectively, and with such great fighting spirit, I may say, as the junior Senator from Rhode Island has done. For this he deserves, and will always have, the respect and the thanks of all of us who must deal with this problem.

I was privileged to make some observations when the committee was in Denver during the past fall as a part of extensive hearings. I desire to pay special recognition to the distinguished Senator from Rhode Island, whose fair and impartial approach to this complex and sometimes emotional problem has won him the respect of the broadcasting industry.

Mr. President, no more accurate description of the chasm facing these smaller broadcasters can be found than that on page 4 of Senate Report 923. The paragraph to which I refer is as follows:

> The costs of wiring a community are such that only the densely populated areas can be economically served by CATV systems. The result is that generally suburban and rural areas receive no service from such systems.

Mr. President, one point ought to be made clear. CATV systems, by the very nature of their construction and operation, cannot generally serve suburban areas, nor can they ever serve rural areas.

In essence, uncontrolled CATV would rip the heart from the market area upon which these smaller stations depend for their very existence. If these small stations fold, then a concurrent TV blackout occurs in the booster areas which these stations support. For example, in my own State of Colorado, such a local situation exists in Grand Junction. The man who owns that station installed one of the first radio stations in Colorado at a time when people said it could not be made to pay. He also installed a television station in the western portion of Colorado at a time when everyone said a TV station could not be made to pay. But he has made them pay. The TV station at Grand Junction provides news and entertainment, together with selected educational programs, not only to the city itself, but also to more than 36 boosters covering other parts of western and central Colorado and eastern Utah.

Let us see what will happen if CATV is permitted to go into Grand Junction, for example, unlimited or unproscribed by any rules of the Federal Communications Commission, without any limitation on its powers or anything else.

The Grand Junction station is able to carry the signals of three or four stations. If a CATV is permitted to enter the area unregulated, it can soon drive the local TV operator out of business. The CATV service will serve the community or the particular town or city, but on the outskirts of the community, and even in the suburban areas, there will be a blackout, because the people no longer will have any local TV station to which they can tune. That is true not only on the outskirts of the city, but as one goes into the country there are 36 booster stations which have been set up by the TV operators to pick up the signals of the particular TV station. Those booster stations are in eastern Utah and western Colorado. They are placed there to pick up the signals of the particular station in the city, but the station will be driven out of business. Therefore, all the money that has been spent on the boosters—approximately $5,000 for each of them—will have been wasted. The people will be in complete darkness, and will remain in complete darkness for any foreseeable time in the future.

To extend further the example of this station, let me describe what would happen if CATV were permitted to skim the cream from its programing without realistic consideration for the station's survival. CATV has already laid the groundwork to operate in Grand Junction with the announced intention of obtaining programing from existing Denver stations. By airing these selected programs in advance of KREX–TV, and without regard for the property rights of the Denver stations involved, a matter which I shall discuss in a moment—the CATV operator is pushing KREX–TV, together with its news and local programing, toward the edge of the chasm.

Mr. President, I readily recognize the effort made by the committee in trying to offset any such contingency. Subsection (d) of the bill provides for petition from both broadcaster and CATV operator alike so that the FCC may make some decision based upon the convenience and necessity of the general public.

Some broadcasters have evidenced alarm, however, at the provisions of subsection (c), the so-called grandfather clause. They fear that existing CATV operations could, in fact, obtain blanket approval and license and thus destroy the effect of the bill before the Senate.

Mr. President, I point out to them, and to my colleagues, the language contained in the subsection which refers to the provisions immediately following subsection (d), and to the regulations and guidelines clearly established in subsection (d) itself.

Here is the essence of protection for the broadcaster which the bill provides. The Federal Communications Commission, although permitted to grant application for existing CATV operations, must nevertheless review and consider these operations in the light of their effect upon the local broadcaster if the local broadcaster can show any significant damage from uncontrolled CATV. In other words, existing systems would be subject, and properly so, to the same criteria as future CATV applicants.

What type of people depend upon boosters and upon this type of operation? Last fall I had a unique experience. In traveling around my State, I visited a small town, one of the smaller towns in the State, and had lunch with a group of citizens. They had conceived the idea that perhaps they could do something for themselves in the television field, and they did. They had gone to the general store of the town and purchased dynamite. With their own picks, shovels, and jeeps, they had built a road to the top of a mountain, 12,000 feet high. This was a small community, having a population of not more than 200. This group had built a road to the mountaintop with their own muscles, and there they built a booster.

Mr. President, are we going to permit the CATV to blackout people of that kind? I say no. With 36 boosters operating, all dependent on one station, I say we must consider the interests of all people. That does not preclude CATV from coming into the area upon a free and equal basis with anyone else and under such regulations as the FCC may prescribe.

Mr. President, earlier I referred to the question of property rights. This is the second problem, and one which the bill overlooks. Briefly, among the broadcasters there is grave concern regarding the apparent freedom granted CATV to pluck from the air, free of charge, a signal placed there at great expense. Indeed, the same concern was shared by those who created the original act, which we seek to amend. They, therefore, included a section protecting those property rights. I refer to section 325(a) of the Communications Act of 1934. So that my colleagues may have a basis upon which to make their decision, I now read that section of the act:

> SEC. 325. (a) No person within the jurisdiction of the United States shall knowingly utter or transmit, or cause to be uttered or transmitted, any false or fraudulent signal of distress, or communication relating thereto, nor shall any broadcasting station rebroadcast the program or any part thereof of

another broadcasting station without the express authority of the originating station.

I call attention to the words—

Nor shall any broadcasting station rebroadcast the program or any part thereof of another broadcasting station without the express authority of the originating station.

Those are the concluding words of section 325(a).

The junior Senator from Rhode Island has already stated most eloquently what might happen if the Supreme Court were to rule that this clause is applicable to the present CATV situation. I predict that if the Supreme Court did so rule, the representatives of CATV would be down here as thick as locusts, requesting the enactment of legislation to free them from the burdens imposed on them by this measure.

Mr. President, at this time I send to the desk an amendment which I shall call up later in the proceedings. I ask that the amendment lie on the table and be printed, to be available tomorrow.

The PRESIDING OFFICER (Mr. LUSK in the chair). The amendment will be received and printed, and will lie on the table.

Mr. ALLOTT. Mr. President, the amendment makes amply clear that, in placing CATV within the bounds of the regulatory control of the Federal Communications Commission, CATV is not to be regarded as a common carrier. Neither are broadcasters, either radio or television. The fact is that the CATV signal is wire-carried. Notwithstanding, in the truest meaning of the operation, CATV is an integral part of the broadcasting operation. Why, then, should we not include section 325(a) as one of those applying to this new entry in the field of broadcasting?

The argument has been raised that broadcasters would price CATV out of business. I disagree, Mr. President, as do many responsible members of the broadcast industry and, I firmly believe, many responsible CATV operators, as well. I should like to emphasize that this section in no way precludes the original broadcaster from granting his consent for use of the signal free of charge. The basic issue here is that he be accorded the right of consent.

The essential point here, Mr. President, is one of moral and legal rights which this body is entrusted to protect. It is my intention, therefore, to offer at the appropriate time the amendment which I have sent to the desk, to make applicable to the operation of CATV the provisions of section 325(a) of the Communications Act. Again, I emphasize that the intent here is not to penalize CATV, but to protect the established property rights of broadcasters whose signals are being resold without having recourse.

Mr. President, it is argued that the bill, if enacted, will hold up the CATV group, or something of that sort. I point out that we cannot forget that those who today have these broadcasting facilities have constructed them, expanded them, maintained them, and operated them at great expense, and now continue to operate them. We must not forget that they broadcast, at very great expense to themselves, these signals, which they have picked up, also at great expense to themselves.

The situation would be different if only certain individual persons or small groups were concerned. But in this situation, one group proceeds, at great expense, to place a signal in the air; and another group takes the signal from the air and puts it to work for itself, without making any payment to the originator of the signal or without even obtaining the consent of the originator of the signal.

Mr. President, this measure is a very, very important one. Unless this bill is enacted into law, we shall cause widespread blackouts in areas which now receive television.

I see in the Chamber the distinguished junior Senator from Wyoming [Mr. MCGEE]. There will be such blackouts in his State, and also in Idaho and, I believe, in part of Utah; and I believe there will be widespread blackouts in Colorado.

Some Senators assume that the persons chiefly affected are those who live in cities. However, I wish to say that we must protect the property rights of all persons affected—and even if the property rights of only one person were affected.

I point out that unless a measure of this sort is enacted into law, not only will those who live in remote areas be blacked out, insofar as the reception of television is concerned, but the same situation also will apply to those who live in the fringe areas of cities.

Mr. McGEE. Mr. President, will the Senator from Colorado yield?

Mr. ALLOTT. I yield.

Mr. McGEE. Does the Senator from Colorado have any figures in regard to the areas of his State which may be dependent on single stations or on boosters? Has that information been made available?

Mr. ALLOTT. I have it here, and I can supply it for the RECORD. I know in this one area 36 stations are dependent on this one signal. In other towns in the State, there are 50-odd boosters which pick up the signal on one channel and put it out to others in those areas.

Mr. McGEE. Will the Senator from Colorado agree that it is especially difficult for those of us who represent the mountain-region States to convey to Senators from other parts of the country the fact that in our areas TV is still in the frontier stage. The people there do not have a wide choice of programs or an unlimited number of channels from which to choose.

Mr. ALLOTT. That is true. I suppose that people who live in the heavily populated East find it hard to realize how much the signals from the repeaters or the boosters mean to those who live in the sparsely populated areas of the West. The list which I hold in my hand includes the names of towns such as Coaldale, De Beque, Dolores, Eagle, Fleming, and many, many others. The significance of this matter to such areas cannot be overestimated, in my opinion.

Mr. McGEE. Is it not true that in ranching areas the people are almost entirely dependent on only one signal? Many are unable to attend the movies, or even the drive-ins; in some of these areas such facilities are not readily available. So if the one television signal which the people of those areas now receive were not to be available, they could not readily find an alternative form of entertainment or recreation.

Mr. ALLOTT. The Senator is well aware that in his State, as in mine, in the mountainous areas, particularly in the winter—in fact, almost in the winter entirely—we have great amounts of time when it is very difficult to get from one point to another. As a result, these single signal stations are of great significance to those people who have no other way or other means of getting those signals.

One of the Senators who has spoken eloquently on the other side of the question said to me yesterday there was no need for boosters in Colorado because Colorado had a CATV. He said that statement particularly applied to eastern Colorado. Well, the Senator is simply unaware of what he is saying, because eastern Colorado is pretty well filled up with boosters, according to the list I have.

Mr. McGEE. The burden of the Senator's suggestion is not that anybody should be put out of business, but that we should try to extend the coverage of this utility to as many people as possible. Is that correct?

Mr. ALLOTT. Yes.

PRESIDENT EISENHOWER'S VETO OF THE DEPRESSED AREAS BILL, S. 722

Mr. THURMOND. Mr. President, on Friday last President Eisenhower returned, without his approval, S. 722, the so-called depressed areas bill. I applaud such action by the President; and it is my hope that in the event there is an attempt to override this judicious veto, it will be soundly defeated.

Mr. President, there are many problems which confront our Nation from time to time, both domestic and foreign. It has been recognized, since the adoption of the Constitution and the establishment of our form of government, that the Federal Government was sovereign in the conduct of foreign affairs and the State governments possessed little, if any, responsibility in this area. On the other hand, in some areas of domestic affairs, the States enjoy complete sovereignty, and other areas are occupied jointly by both State and Federal Governments. It was with the apparent intention of operating within the area which is jointly occupied that the Senate enacted S. 722 during the 1st session of the 86th Congress.

Mr. President, there is a great difference between the principle that the Federal Government has a definite responsibility in promoting the fullest possible employment and legislation which seeks to substitute a federally assisted planned economy for the free enterprise system.

S. 722 is an effort by the Congress to substitute its judgment for that of the industries which had either chosen not to locate in areas in which it was found uneconomical to operate, reduced their operations in such areas, or removed their plants to areas where a more favorable economic climate existed. However, there is no substitute for the three primary and initial prerequisites for a favorable industrial atmosphere; namely, capital, business judgment, and a market for the product produced. Any attempt by Government to substitute taxpayers' funds for the lack of conditions which would insure the ability of industry to be efficient and competitive would result in an extremely unfortunate situation. True, employment may be temporarily boosted, but as soon as the competitive advantages created by the subsidy have been exhausted, those initial factors which left the community without employment in the first place will reassert themselves. The alternative will then have to be faced of either continuing the subsidy or leaving the community where it was, but for the additional burden of a staggering addition to the public debt.

An additional reason for my opposition to this legislation is the fact that it will create a new Federal agency and add an undetermined number of additions to the already awesome army of Federal bureaucrats. Those who support this measure as a temporary means of alleviating unemployment in certain areas are obviously outstandingly naive. The history of our Republic has demonstrated that "temporary" in relation to Government agencies is not contained in the Federal lexicon.

Lasting solutions to those problems which now face so-called depressed areas can be forthcoming only through the efforts of local citizens. Local participation and private financing under this bill would be held to a minimum, and the major role of the undertaking would be assumed by a newly created independent agency within the executive branch of the Government. Financing of industrial development projects by the Federal Government could go as high as 65 percent, local community participation could be as low as 10 percent, and private financing as little as 5 percent.

Mr. President, it is my firm conviction that S. 722 represents a step in the wrong direction in solving the problems of areas which are presently beset by economic difficulty. Thousands of development boards have been created by States, cities, and communities, and most, if not all of them, have diligently set about creating the conditions conducive to industrial efficiency, so that industry, recognizing these assets, would locate and thrive in the community. This local initiative would be materially inhibited by the Federal assistance provided in S. 722, and the artificial economic climate created will ultimately compound the difficulties which are sought to be glossed over by this legislation.

U.S. SAVINGS BONDS REDEMPTIONS

Mr. JAVITS. Mr. President, I have just received from the Treasury Department a monthly report on sales and redemptions of series E and H savings bonds, which I have requested be sent to me regularly, and am again deeply concerned by the continuing trend of redemptions exceeding sales. This situation has been reflected by the statistics without pause since July 1958, and with only one interruption since March of that year. During the 24-month period ending April 30, 1960, the excess of E- and H-bond redemptions over sales has totaled $2,324 million; even the increase in interest rates from 3.26 percent to 3.75 percent, which was put into effect in September 1959 following congressional action to lift the interest ceiling on these bonds, failed to stop this trend, with an excess of redemptions over sales during those 7 months of $565 million, though it did result in a slowing down of the excess of redemption.

For some time, I have been advocating that steps be taken by the Treasury Department to stop further attrition of individual holdings of these anti-inflationary bonds, which represent an important portion of the national debt, and signify the interest of every citizen in his country's fiscal situation.

At the present time of world crisis, where our Nation's economy is the frontline of the East-West struggle, it seems particularly important to take action in this field. I again urge that the Treasury avail itself of the authority granted last year by the Congress to raise interest rates on E- and H-bonds beyond the present 3.75-percent level. It should undertake a massive patriotic drive to sell to the public what we now call savings bonds, but which should be renamed "Peace Bonds"—perhaps featuring a special $25-billion issue which would seem to attract millions of new investors in a significant shift of the national debt into these securities. Irrespective of congressional action on long-term marketable bond interest rates at this session, this would reflect a shift of the debt into the longer term securities which is sought to be achieved by the administration. The suggestion of my colleague, the Senator from Delaware [Mr. WILLIAMS], for an immediate rise in the savings bond interest rate to the 4.25-percent ceiling, is a most commendable plan for the achievement of this goal. Together with my colleague from Delaware, with whom I have been working in this field constantly, I urge this course upon the administration.

I ask unanimous consent that the report of the Treasury Department may be printed in the RECORD at this point.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

The E- and H-bond picture

[In millions of dollars]

	Sales [1]				Redemptions [1]				Net			Exchanges of E for H	Outstanding in 1959	
	1958	1959	Change		1958	1959	Change		1958	1959	Change		End of period	Change during period
			Amount	Percent			Amount	Percent						
LAST YEAR														
April	398	350	−48	−12	412	452	+40	+10	−14	−103	−89		42,762	−23
May	368	338	−30	−8	383	433	+50	+13	−15	−95	−80		42,749	−13
June	376	323	−53	−14	411	470	+59	+14	−35	−147	−112		42,716	33
Fiscal year	4,670	4,506	−164	−4	5,187	5,107	−80	−2	−517	−601	−84		42,716	+574
July	418	350	−68	−16	417	507	+90	+21	+1	−156	−157		42,679	−37
August	369	309	−60	−16	380	454	+74	+19	−11	−145	−134		42,619	−60
September	352	300	−52	−15	397	469	+73	+18	−45	−169	−125		42,540	−79
October	378	358	−20	−5	407	495	+88	+22	−29	−137	−108		42,486	−54
November	324	332	+7	+2	342	390	+48	+14	−17	−58	−41		42,517	+31
December	370	377	+7	+2	414	454	+40	+10	−43	−77	−34		42,559	+42
Calendar year	4,689	4,320	−369	−8	4,856	5,519	+664	+14	−167	−1,199	−1,032		42,559	−30
THIS YEAR														
January	486	421	−65	−13	526	562	+37	+7	−40	−142	−102	41	42,539	−20
February	383	438	+55	+14	410	457	+47	+12	−26	−19	+7	73	42,613	+74
March	414	393	−21	−5	460	437	−23	−5	−46	−44	+2	32	42,662	+49
April	350	340	−10	−3	452	427	−25	−5	−103	−88	+15	22	42,664	+2

[1] Sales and redemptions beginning January 1960 include exchanges of minor amounts of series F- and J-bonds for H-bonds but exclude exchanges of E-bonds for H-bonds.

Source: Office of the Secretary of the Treasury, Debt Analysis Staff, May 5, 1960.

THE BOMARC MISSILE: AN INTEGRAL ELEMENT IN AMERICA'S DEFENSE

Mr. BENNETT. Mr. President, I have just received word that a completely successful test of the Bomarc B missile was conducted this morning at Eglin Air Force Base. To those of us who have been following the development of this important missile, this comes as extremely good news. It is particularly significant at this time because tomorrow the Senate Appropriations Committee will begin hearings on the cuts made in the defense appropriation bill, and one of the items drastically cut by the House was the Bomarc program.

Probably the main reason why the House voted to eliminate the Bomarc program was because of the partial failures during the early tests of the Bomarc B. But since the House acted, there have now been two tests, both completely successful, which make it apparent that the Air Force's confidence in the missile is justified.

BACKGROUND OF PROBLEM

We have now invested about $600 million in the Bomarc B missile, and are now right on the brink of beginning full-scale production. The Marquardt plant in Ogden, Utah, which produces the ramjet engine for the missile, is 90 percent tooled up, and production has already begun.

On March 24 the Air Force announced its decision to reduce the number of Bomarcs previously programed in order to provide a better balance of air defense weapons within the limitations imposed by the budget.

Let me emphasize that I have no quarrel with the Air Force's decision, despite the adverse economic impact on Utah. I felt that the overruling consideration was to get the maximum amount of defense for every dollar spent, and if this involved cutting back the Bomarc program, I was willing to go along with that, as were the other members of the Utah delegation, and, I believe, most of the people of Utah.

But there is a big difference between reducing the number of Bomarc missiles to be produced and eliminating them entirely. The March 24 reduction was part of a carefully prepared plan, drawn up by military experts, intended to provide a better overall mix of defensive weapons. The House action, in contrast, was not the result of any carefully prepared plan; it was an arbitrary and, in my opinion, precipitate decision, and one which should be overruled by the Senate.

THE NEED FOR BOMARC

We have heard much during the last 2 years about our susceptibility to Russian attack between now and 1965, when our missile capability will be far greater than it is today. During this extremely critical period, the years of the so-called missile gap, the Bomarc is one of the most important defense weapons we have. It is incredible that those who claim there is a missile gap should oppose the construction of the weapons we need to guarantee safety from attack during the crucial period they are talking about.

It has been said that the Bomarc will be obsolete in several years, when Russia will have a larger force of intercontinental ballistic missiles. There are two answers to this:

First, the Bomarc is not likely to be obsolete in the foreseeable future, because even with the existence of the ICBM, the bomber threat and its associated air-to-surface missile capability will still exist, and to provide defense only against intercontinental missiles, and not against air-breathing missiles and planes, would be an open invitation to attack. Second, even though the need for the Bomarc may decrease several years hence, it is an absolute necessity at this time. There is no other weapon in existence or under development which can do the job the Bomarc is designed to do. Here again, to eliminate the Bomarc entirely is, as the Air Force has indicated, an invitation to attack.

There are three points I should like to emphasize today. The first is that the cut is wasteful. It cannot be justified from an economic standpoint, because it would leave a gap in our air defense which would have to be filled by production of additional fighter aircraft at a much greater cost.

Second, the Bomarc missile would give much better defense than would the number of F–106 fighter planes required to replace the missiles.

Third, the House action would delay the day when we will have adequate defense against attack by manned aircraft.

COST CONSIDERATIONS

With respect to the cost, Gen. H. M. Estes, Jr., Assistant Deputy Chief of Staff of the Air Force, has testified that the procurement of interceptors as an alternative to Bomarc, including operation and maintenance for 1 year, would cost $677.6 million. The Bomarc procurement costs, including operation and maintenance for 1 year, would be $466.6 million. Thus, there would be a saving of $211 million during a single year by approval of the Bomarc instead of procurement of a comparable number of fighter interceptor planes.

Maj. Gen. R. J. Friedman, Director of Budget, Comptroller of the Air Force, estimates that the cost of the Bomarc missiles will be $3.2 million each, and that the cost of the F–106 would be $4.4 million each. He has testified that it would cost about $1 billion to provide the number of fighter planes needed to replace the canceled Bomarcs. He emphasizes that replacement would have to be on a one-for-one basis.

So unless the Air Force is completely wrong in its cost estimates, it would require more money to provide the needed air defense with aircraft rather than Bomarc missiles. Now, let us consider the question of whether the two systems are really comparable.

LIMITATIONS OF FIGHTER PLANES

The North American Air Defense Command has studied the potentialities of the two systems in light of the defense mission it is assigned, and has recommended that the Bomarc program be continued for the simple reason that the Bomarc can do the job better than can fighter planes.

Obviously, a fighter plane has some advantages. It has the advantage of being under the personal control of a pilot, and it might be used more than once. And NORAD has indicated that it needs some fighter planes. It also needs, however, a goodly number of Bomarcs to give a "mix" of weapons which will provide the necessary flexibility. NORAD must be prepared to meet various tactics—mass raids, sneak raids, and low- and high-altitude attacks. Without the Bomarc, our capability to meet these varied threats is substantially diminished.

Incidentally, with respect to the advantage of control by a pilot, it should be emphasized that during the actual attack, the pilot does not control the plane. Human reflexes and human vision are too limited to permit a pilot to attack an incoming supersonic missile or plane. The plane is controlled electronically by SAGE, the same system as is used to control Bomarc, and, in fact, uses a missile to effect a kill.

REACTION TIME

The Bomarc has a much more rapid reaction time than does a fighter plane. It is in a continual state of readiness, and its reaction time of only 30 seconds is far beyond the capability of a plane.

And once in the air, the Bomarc can proceed to its target much more rapidly than the fighter plane—in fact, about twice as fast. Of course, our fighter planes, such as the F–101 and the F–106, are capable of supersonic speeds, but not in extended range operations. If they fly at these high speeds all the way to their target, they quickly run out of fuel, and if they are over the ocean, they have no chance of getting back to their base. Their range at top speed is only a fraction that of the Bomarc.

General Estes, discussing the advantages of the Bomarc, said:

> In the low-altitute regime, the Bomarc B has been specifically designed to attack targets at low altitudes. A high launching rate of missiles per base makes available an unequaled concentration of firepower that permits the defense system to cope with massed attacks or simultaneous attacks from all directions. The high launch rate, long-range and rapid reaction capabilities of Bomarc B combine to permit early engagement of bombers and thus remove the nuclear air battle from the vicinity of the targets being defended.

In response to a question about the difference between the missiles and fighters, General Estes said:

> One is altitude, sir. One is the competence that you can build into a missile system that you cannot in a fighter. For example, it is extremely difficult to put a large nuclear warhead into a fighter because you cannot escape from your own nuclear blast from your own missile. Bomarc, once it blasts, doesn't care. There is no human in it. So you have the capability of putting much larger warheads on your missile in

order to vaporize the bombs and the bomber. Therefore, it is the intention of North American Air Defense Command to use a mixed force of weapons, each of which has capabilities which are not directly attainable in the other type of weapon, to take on any attack.

It seems to me that there can be no question about the relative effectiveness of the "mix" recommended by the Air Force and a force made up only of fighter planes and short-range missiles.

BOMARC READY SOONER

But beyond all this there is another consideration, and perhaps this may be the most important of all. Even if the F–106's were completely effective, even if we could double their speed and increase their range, and provide them with more powerful warheads, all this would be academic. The fact is, we simply cannot build the additional F–106's by the time when we will need them.

Now, it is true that the F–106 has been in production for some time. But production of an airplane cannot merely be turned on or off like a faucet. Even though we have the assembly line in operation, no orders have been placed for the tens of thousands of additional parts which would be required to extend production, as recommended by the House committee. That is why the Air Force estimates that it would take about a year longer to produce the number of fighter planes needed than it would to produce the Bomarc B, which is already beginning production, and for which parts have already been ordered. And this is the time lag for the version of the F–106 now in production. An improved version would not be available until about 3 years after the Bomarc.

BOMARC TEST RECORD

Now, let me return to the Bomarc test record, which, as I indicated earlier, was a major factor in influencing the House decision.

The success of two Bomarc A missiles in firings against a supersonic missile and a drone May 12 at Eglin Air Force Base was a convincing demonstration of the effectiveness of the Bomarc. The first test of a complete Bomarc B missile on April 13 was 100 percent successful. The simulated target was intercepted. The missile was destroyed by the range safety officer at 150 nautical miles, the limit of the gulf test range. The ramjet problems which had been experienced in the early flights at Cape Canaveral have been overcome. Likewise, today's test was a complete success, with every part of the missile functioning perfectly. The missile traveled 270 miles, diving from an extremely high altitude to intercept a simulated target.

Interestingly enough, even the earlier tests of components of the Bomarc B, which were reported in the press as failures, actually were partial successes, and as a matter of fact, contributed much to the development of the missile. At this point, I ask unanimous consent to insert in the RECORD a table showing what these flights were designed to test, and the number of successes and failures on each attempt.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Test record of Bomarc B

Objectives	Test number								
	1	2	3	4	5	6	7	8	9
Solid rocket boost	OK	OK	OK	OK	OK	OK	OK	OK	OK
Ramjets	F	F	F	F	F	OK	OK	OK	OK
Flight controls	OK	OK	OK	OK	OK	F	F	OK	OK
Airframe	OK	OK	OK	OK	OK	OK	OK	OK	OK
Performance	OK	OK	OK	OK	OK	OK	OK	OK	OK
Accessory power unit	(*)	(*)	(*)	(*)	(*)	(*)	(*)	OK	OK
Range	F	F	F	F	F	F	F	OK	OK

F = Failure.
* = Not scheduled.

NOTE.—Tests Nos. 1 through 7 were conducted at Patrick Air Force Base. Nos. 8 and 9 were at Eglin Air Force Base.

Mr. BENNETT. Mr. President, certainly, in view of the remarkable success of the Bomarc in its recent firings, and of the above analysis of the earlier attempts, it appears that the Air Force is justified in its optimism about the Bomarc, and its willingness to rely on the Bomarc as a key element in our defense against aerial attack.

THE CANADIAN POSITION

A decision such as whether or not to build a particular weapon must, of course, be based primarily upon technical considerations and military needs. And it is upon such considerations that the Bomarc is justified. But perhaps it would be appropriate to invite attention to one other aspect—the attitude of our Canadian allies, who have worked with us on the Bomarc, who are helping to supply parts and bases for it, and who have the same stake as we have in effective defense of the North American Continent.

In this connection, the Honorable G. R. Pearkes, Minister of National Defense of Canada, said in the House of Commons on April 29, in discussing the House committee's action:

> This is a recommendation, of course, by the Appropriations Committee which has yet to receive the approval of the Senate and the administration. If this recommendation is approved and made final then it will not be in keeping with the arrangements which were made over a year ago between our two countries for the air defense of this continent.

I think it is apparent that the Canadians recognize the value of the Bomarc, and it is equally apparent they desire that the program be continued as recommended by the Air Force, in keeping with the agreement made between Canada and the United States.

CONCLUSION

Mr. President, on the basis of the facts available at the time the House committee acted, I am sure that I would have voted to continue the Bomarc B program, as recommended by the Air Force. But if there had been any doubts in my mind, I am sure they would have been erased by the results of the tests made since the House acted. I believe that anyone who is concerned with a sound defense for the United States during the next several years will concur in the recommendation of the Air Force and will agree that the funds needed for the Bomarc B missile should be restored.

EXTENSION OF TIME FOR THE COMMITTEE ON THE JUDICIARY TO SUBMIT CERTAIN REPORTS

Mr. MANSFIELD. Mr. President, on behalf of the Committee on the Judiciary, I ask unanimous consent that the time for the filing of reports pursuant to Senate Resolutions 54, 56, and 61, of the 86th Congress, be extended to June 15, 1960. This request concerns annual reports of certain subcommittees of the Committee on the Judiciary.

The PRESIDING OFFICER. Without objection, it is so ordered.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, May 17, 1960, he presented to the President of the United States the enrolled bill (S. 3338) to remove the present $5,000 limitation which prevents the Secretary of the Air Force from settling claims arising out of the crash of a U.S. Air Force aircraft at Little Rock, Ark.

ADJOURNMENT

Mr. MANSFIELD. Mr. President, if there is no further business, I move, pursuant to the order previously entered, that the Senate stand in adjournment until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 26 minutes p.m.) the Senate adjourned, under the order previously entered, until tomorrow, Wednesday, May 18, 1960, at 12 o'clock meridian.

CONFIRMATION

Executive nomination confirmed by the Senate May 17, 1960:

U.S. MARSHAL

Lyle F. Milligan, of Wisconsin, to be U.S. marshal for the eastern district of Wisconsin for the term of 4 years. (Now serving under an appointment which expired March 1, 1960.)

HOUSE OF REPRESENTATIVES

TUESDAY, MAY 17, 1960

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

Psalm 31: 1: *In Thee, O Lord, do I put my trust.*

Most merciful and gracious God, may we now hallow Thy name and receive Thy help to gain the mastery in all the bitter conflicts and precarious situations of these days when we are tempted to yield to a sense of failure and futility.

We earnestly beseech Thee to gird us with moral sagacity and noble strategy as we contend with the forces of lawless violence and brutal tyranny and may it never be true that the sons of this world, in their generation, are wiser than the sons of light.

Help us to believe that we can take the fear and restlessness out of our human life by putting our trust in Thee and by reminding ourselves that Thou art our refuge and strength.

Show us how we may learn to achieve a finer skill in the art of brotherly living and attain unto the wisdom and peace of seeking one another's welfare.

Hear us in the name of our blessed Lord. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

THE SUMMIT MEETING

Mr. HERLONG. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. HERLONG. Mr. Speaker, the situation in Paris calls for cool heads. I urge that we close ranks in support of the President and leave the settlement of the affair to him and his advisers. This is no time for second guessing. The President and his advisers have the information and background to deal with this crisis and I hope and pray they will handle it capably. It will be of tremendous help to them to know that we, back home, are united behind them.

This whole affair points up more clearly than ever before the need for the Freedom Academy which I proposed in my bill, H.R. 3880, introduced in the previous session. The Freedom Academy would turn out trained, dedicated men and women of the free world to work to counteract the activities of the Communist conspirators who are all about us, both here and abroad. We need a more effective method of operation in the battle to win men's minds to the peaceful ideals of the free world.

SUBCOMMITTEE ON HOUSING OF THE COMMITTEE ON BANKING AND CURRENCY

Mr. ALBERT. Mr. Speaker, on behalf of the gentleman from Alabama [Mr. RAINS] I ask unanimous consent that the Subcommittee on Housing of the Committee on Banking and Currency may have permission to sit today during general debate.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

AUTHORIZING THE ARCHITECT OF THE CAPITOL TO PERMIT CERTAIN TEMPORARY AND PERMANENT CONSTRUCTION WORK ON THE CAPITOL GROUNDS

Mr. BURKE of Kentucky. Mr. Speaker, I ask unanimous consent for the present consideration of Senate Joint Resolution 166 authorizing the Architect of the Capitol to permit certain temporary and permanent construction work on the Capitol Grounds in connection with the erection of a building on privately owned property adjacent thereto.

The Clerk read the title of the Senate joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There being no objection, the Clerk read the Senate joint resolution, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Architect of the Capitol is hereby authorized to permit (1) the performance within the United States Capitol Grounds of excavation, temporary construction, or other work that may be necessary for the construction of a national headquarters building and other related facilities for the United Brotherhood of Carpenters and Joiners of America on the property immediately northwest of the intersection of Constitution Avenue Northwest, and Louisiana Avenue Northwest, in the District of Columbia; and (2) the use of Capitol Grounds property located west of the street curb on Louisiana Avenue Northwest, between Constitution Avenue Northwest and First Street Northwest, for purposes of ingress and egress to and from the building site during such construction. No permanent construction shall extend within the United States Capitol Grounds except as otherwise provided in subsection (b) of this joint resolution.

(b) The Architect of the Capitol is hereby authorized to permit the following improvements of a permanent nature to be made on Capitol Grounds property located west of the street curb on Louisiana Avenue Northwest, between Constitution Avenue Northwest and First Street Northwest:

(1) The removal of the existing driveway which provided access to a gasoline station which formerly occupied such site; the patching of the existing curb; and the regrading and sodding of the area comprising such driveway;

(2) The extension of existing sewers and the building of new manholes under the sidewalk along Louisiana Avenue Northwest, between Constitution Avenue Northwest and First Street Northwest, to accommodate service laterals from the proposed new building, and the installation of necessary laterals;

(3) The installation of service laterals from existing gas and water mains located on Capitol Grounds property located at Louisiana Avenue Northwest, between Constitution Avenue Northwest and First Street Northwest;

(4) The removal and replacement of existing sidewalks located on Capitol Grounds property at Louisiana Avenue Northwest, between Constitution Avenue Northwest and First Street Northwest;

(5) The planting of seven additional trees between street curb and new sidewalk along Louisiana Avenue Northwest, between Constitution Avenue Northwest and First Street Northwest, such trees to be selected by the Architect of the Capitol;

(6) The regrading and resodding of the remaining area; and

(7) The plugging and filling of a portion of the abandoned brick arch sewer located at the northeast corner of the proposed new building.

SEC. 2. The United States shall not incur any expense or liability whatsoever, under or by reason of this joint resolution, or be liable under any claim of any nature or kind that may arise from anything that may be connected with or grow out of this joint resolution.

SEC. 3. No work shall be performed within the Capitol Grounds pursuant to this joint resolution until the Architect of the Capitol shall have been furnished with such assurances as he may deem necessary that all areas within such grounds, disturbed by reason of such construction, shall, except as otherwise provided in this joint resolution, be restored to their original condition without expense to the United States; and all work within the Capitol Grounds herein authorized shall be performed under conditions satisfactory to the Architect of the Capitol.

SEC. 4. Nothing in this joint resolution shall be construed as conveying to the United Brotherhood of Carpenters and Joiners of America any right, title, or interest in or to any of the temporary or permanent improvements made by it within the Capitol Grounds pursuant to this joint resolution.

The Senate joint resolution was agreed to, and a motion to reconsider was laid on the table.

PRIVATE CALENDAR

The SPEAKER. This is Private Calendar day. The Clerk will call the first bill on the Private Calendar.

RELIGIOSA LUIGIA FRIZZO ET AL.

The Clerk called the first bill on the calendar (H.R. 3805) for the relief of Religiosa Luigia Frizzo, Religiosa Vittoria Garzoni, Religiosa Maria Ramus, Religiosa Ines Ferrario, and Religiosa Roberta Ciccone.

Mr. AVERY. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

MR. AND MRS. JAMES H. McMURRAY

The Clerk called the bill (H.R. 1433) for the relief of Mr. and Mrs. James H. McMurray.

Mr. ROBERTS. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore (Mr. ALBERT). Is there objection to the request of the gentleman from Alabama?

There was no objection.

HENRY AND EDNA ROBINSON

The Clerk called the bill (H.R. 1721) for the relief of Henry and Edna Robinson.

Mr. ROBERTS. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

MR. AND MRS. MOSES GLIKOWSKY

The Clerk called the bill (H.R. 1766) for the relief of Mr. and Mrs. Moses Glikowsky.

Mr. ROBERTS. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

GERALD DEGNAN ET AL.

The Clerk called the bill (S. 684) for the relief of Gerald Degnan, William C. Williams, Harry Eakon, Jacob Beebe, Thorvald Ohnstad, Evan S. Henry, Henry Pitmatalik, D. LeRoy Kotila, Bernard Rock, Bud J. Carlson, Charles F. Curtis, and A. N. Dake.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the persons enumerated below the sums specified, in full settlement of all claims against the Government of the United States as reimbursement for personal effects destroyed as a result of the fire which occurred on October 2, 1958, at Sherman, Alaska, when the claimants were employed by The Alaska Railroad: Gerald Degnan, $286.83; William C. Williams, $755.92; Harry Eakon, $342,49; Jacob Beebe, $743.85; Thorwald Ohnstad, $1,556.32; Evan S. Henry, $199.68; Henry Pitmatalik, $472.22; D. LeRoy Kotila, $217.70; Bernard Rock, $729.79; Bud J. Carlson, $313.05; Charles F. Curtis, $1,111.69; and A. N. Dake, $93.40.

SEC. 2. No part of the amounts appropriated in this Act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with these claims, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PERRY LEE GORMAN

The Clerk called the bill (S. 1720) for the relief of Perry Lee Gorman.

Mr. ROBERTS. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

MARY ALICE CLEMENTS

The Clerk called the bill (S. 2317) for the relief of Mary Alice Clements.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provisions of the War Claims Act of 1948, as amended, limiting the period of time within which claims may be filed thereunder, the Foreign Claims Settlement Commission of the United States shall have jurisdiction to receive and to determine the validity and amount of the claim of Mary Alice Clements, of Washington, District of Columbia, for civilian detention benefits under subsections (a) through (e) of section 5 of such Act, and shall certify to the Secretary of the Treasury for payment out of the War Claims Fund any award made thereunder. The Secretary of the Treasury shall pay, out of such Fund, to the said Mary Alice Clements the amount of any such award so certified by the Commission.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHN B. MANTHEY

The Clerk called the bill (S. 2330) for the relief of John B. Manthey.

Mr. HEMPHILL. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

HARRY L. ARKIN

The Clerk called the bill (S. 2523) for the relief of Harry L. Arkin.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Harry L. Arkin of Denver, Colorado, the sum of $270.90. The payment of such sum shall be in full satisfaction of all claims of the said Harry L. Arkin against the United States for (1) reimbursement for expenses, including insurance costs, incurred by him in having his automobile transported from Germany to the United States upon termination of his duty overseas with the Air Force, the said Harry L. Arkin having been denied shipment of his automobile at Government expense because of a change in Air Force policy which occurred after approval had been given by the transportation officer of the Seventeenth Air Force for the shipment of his automobile by such means, and (2) per diem allowance for the period (March 1 to March 6, 1959) he was permitted to remain in Germany, beyond his scheduled departure date, to await an official decision with regard to the shipment of his automobile: *Provided,* That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUGUSTA FURNITURE CO., INC.

The Clerk called the bill (S. 2779) relating to the election under section 1372 of the Internal Revenue Code of 1954 by the Augusta Furniture Co., Inc., of Staunton, Va.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the election under the provisions of section 1372 of the Internal Revenue Code of 1954 made by the Augusta Furniture Company, Incorporated, of Staunton, Virginia, and mailed to the District Director of Internal Revenue, Richmond, Virginia, on December 2, 1958, shall be deemed to have been filed with such District Director on December 1, 1958.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

F. P. TOWER ET AL.

The Clerk called the bill (H.R. 1526) for the relief of F. P. Tower, Lillie B. Lewis, Manuel Branco, John Santos Carinhas, Joaquin Gomez Carinhas, and Manuel Jesus Carinhas.

Mr. CONTE. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

MRS. CORNELIA FALES

The Clerk called the bill (H.R. 6215) for the relief of Mrs. Cornelia Fales.

There being no objection, the clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Cornelia Fales, of Metropolitan State Hospital, Waltham, Massachusetts, the sum of $10,000. The payment of such sum shall be in full settlement of all the claims of the said Mrs. Cornelia Fales against the United States for payment of the proceeds of the national service life insurance issued to her brother, the late Sam E. Seager (Veterans' Administration claim numbered XC 3466187), effective October 24, 1942. At the time of the transfer of the said Sam E. Seager to the Enlisted Reserve Corps and subsequent thereto, he indicated his intention of retaining such insurance but at the time of his death on February 10, 1944, such insurance was not in effect because an official communication from the Army, written in response to his inquiry, misinformed him about his rights with respect to such insurance: *Provided,* That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and

the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 11, strike out "XC 3466187" and insert "XC–3466817".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MISS HEDWIG DORA

The Clerk called the bill (H.R. 6338) for the relief of Miss Hedwig Dora.

Mr. HEMPHILL. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

WILLIAM J. HUNTSMAN

The Clerk called the bill (H.R. 9406) for the relief of William J. Huntsman.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That William J. Huntsman is hereby relieved of all liability to refund to the United States the sum of $116.42, representing overpayments of pay and allowances received by him during his service in the United States Army for the period from September 10, 1948, to November 22, 1949, and from April 25, 1956, to November 2, 1957.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ROBERT L. STOERMER

The Clerk called the bill (H.R. 9711) for the relief of Robert L. Stoermer.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That sections 15 through 20, inclusive, of the Federal Employees' Compensation Act are hereby waived in favor of Robert L. Stoermer, Hudgins, Virginia, and his claim for compensation and disability benefits arising out of an injury to his back alleged to have been sustained by him on May 17, 1951, while employed at Fort Eustis, Virginia, shall be acted upon under the remaining provisions of such Act if he files such claim with the Bureau of Employees' Compensation, Department of Labor, within the six-month period beginning on the date of enactment of this Act. No benefits, other than medical and hospital expenses, shall accrue to the said Robert L. Stoermer by reason of the enactment of this Act for any period before the date of its enactment.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LOREN W. WILLIS

The Clerk called the bill (H.R. 11826) for the relief of Loren W. Willis.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Loren W. Willis, 240 Montgomery Street, Annandale, Virginia, the sum of $1,068.51, in full settlement of all claims against the United States for the loss sustained by the said Loren W. Willis as the result of damage to and destruction of his personal property and household goods in the warehouse of the Global Van Lines, Inc., in Orleans, France, by a fire which occurred on July 22, 1959, *Provided,* That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, any contract to the contrary notwithstanding. Any person violating any of the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MAJ. HOWARD L. CLARK

The Clerk called the bill (H.R. 11827) for the relief of Maj. Howard L. Clark.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Major Howard L. Clark, O40928, United States Army, the sum of $277.94, in full settlement of all claims against the United States for the loss sustained by the said Major Howard L. Clark as the result of damage to and destruction of his personal property in the warehouse of Allen Moving and Storage Company, 861 Estabrook Street, San Leandro, California, by a fire which occurred on February 23, 1959: *Provided,* That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, any contract to the contrary notwithstanding. Any person violating any of the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

KATHERINE O. CONOVER

The Clerk called the bill (H.R. 8606) for the relief of Katherine O. Conover.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Katherine O. Conover, Arlington, Virginia, the sum of $13,403.57. The payment of such sum shall be in full settlement of all claims of the said Katherine O. Conover against the United States for compensation for the loss of salary, annual leave, and personal property sustained by her, and for reimbursement of certain hospital charges involuntarily incurred while serving as a civilian employee of the Department of the Air Force on Okinawa. Claims for losses such as sustained are not cognizable under the provisions of law referred to as the Federal Tort Claims Act, because such claims resulted from actions initiated in a foreign country. No part of the amount appropriated in this Act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 6, strike out "$13,403.57" and insert "$5,632.02".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. HEMPHILL. Mr. Speaker, I ask unanimous consent that the further call of the Private Calendar be dispensed with.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

LEGISLATIVE BRANCH APPROPRIATION BILL, 1961

Mr. NORRELL. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 12232) making appropriations for the legislative branch for the fiscal year ending June 30, 1961, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to 1 hour, the time to be equally divided and controlled by the gentleman from Washington [Mr. HORAN] and myself.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Arkansas.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 12232, with Mr. TRIMBLE in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. NORRELL. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, we bring you today the legislative branch appropriation bill for 1961. As usual, the bill has been written not by me, but by the members of the committee and particularly of the subcommittee, composed of Messrs. KIRWAN and STEED on the Democratic side and Messrs. HORAN and BOW on the Republican side with the able assistance of the chairman, Mr. CANNON, of Missouri, and the ranking minority member, Mr. TABER.

Mr. Chairman, a summary of the amounts involved in the bill is on page 2 of the committee report. The itemized tabulation by appropriation paragraphs begins on page 12 of the report.

The bill for 1961, as reported, carries a total of $100,317,660. Following the custom of the past, the bill omits appropriations for the Senate and also omits certain items under the supervision of the Architect which pertain solely to that body. Items will be added when the bill reaches the other body.

The bill is below both the budget request and appropriations to date for fiscal year 1960. Specifically, the committee recommends a total which is $3,754,360 below budget requests of $104,072,020, and $781,280 below appropriations to date for comparable items of $101,098,940.

It is not practicable, as Members know, to make large reductions in this bill which is the legislative housekeeping bill. Most of the provisions are statutory and cover necessary expenses of running the legislative establishment and maintaining its physical plant and do not fluctuate widely from year to year. As a practical matter, the committee is powerless to realistically reduce certain items such as, for example, statutory salaries, congressional printing, expenses of investigating committees, and things of that sort.

By way of summary, $42,492,485 is included for items under the House of Representatives; $3,483,875 for certain joint offices and items; $23,009,800 for items under the Architect of the Capitol, excluding, as I indicated, items pertaining solely to the Senate; $352,300 for the Botanic Garden; $15,230,000 for the Library of Congress, not including three items for the Library under the jurisdiction of the Architect; and $15,749,200 for congressional printing and binding and for the Office of the Superintendent of Documents.

As appropriation bills go, Mr. Chairman, the legislative bill is not a big bill and, as I say, it is not feasible to make large economies in the requests because much of it is irreducible if the legislative establishment is to be properly operated and maintained as authorized. We have followed the practice of the past in making reductions wherever we thought we could and still make reasonable provision for efficient functioning and services.

The largest item of decrease below the estimates is in the Library of Congress, where they asked for a new item in the amount of $2,811,400, mostly to purchase from the Treasury foreign currencies now owned by the Treasury to be used in several countries to acquire, catalog, and distribute library materials of those countries. The materials would be sent to a large number of research libraries here in the United States. The committee decided, after rather lengthy consideration, not to allow that item. It is rather fully covered in the committee hearings.

Several other decreases were made in the amounts requested and they are covered in the committee report.

HOUSE OF REPRESENTATIVES

Mr. Chairman, the committee recommends a total of $42,492,485 for all items under the House of Representatives section of the bill. We have reduced these items by $331,160 below comparable budget estimates. In total, the amount recommended is also below 1960 appropriations by $643,780. The reductions made below the requests will not, I am certain, in anywise interfere with the efficient functioning of the activities of the House. In two or three cases, it is a matter of placing the judgment of the committee as to the requirements against that represented by the budget estimates.

We can call attention, as we have done in recent years, to the fact that the number of clerks on the rolls of the Members is well below the total permitted by law; currently the number is approximately 950 less than the maximum number permitted by law. Also, as we have noted in other years, the staffs of the committees are at a level somewhat below the total number authorized by law.

In respect to official allowances for Members of one kind or another, we do not propose any change from the present allowances. That, of course, is not within our jurisdiction. There are one or two individual changes.

I might call attention to the fact that the amount to cover the operating losses of the House restaurants is materially less than heretofore. They are doing better, especially with the new cafeteria in operation. The amount is now down to $35,000 whereas the original budget estimate was for $73,000.

JOINT ITEMS

For the various joint offices and items, as set out in the report, a total of $3,483,875, is recommended. Based on later information, we were able to scale down the request for reimbursing the postal account for penalty mail costs but it is also that same item which accounts for the increase above 1960. That is all explained in the hearings.

We have adjusted the salary language in one of the joint items, namely, that dealing with the two detectives detailed to the Capitol from the Metropolitan Police Department in order to equalize the salaries. Presently, one of the two men is receiving somewhat more than the other and we have brought them to a parity. We felt that was justified as a matter of simple equity.

ARCHITECT OF THE CAPITOL

For all items covering the Architect of the Capitol in this bill, we recommend a total of $23,009,800. This is below both the budget requests and below the current year appropriation level. It was possible to delete a few items requested by the Architect without in anywise being detrimental to the necessary services performed.

The committee report on pages 5, 6, and 7 cover the highlights of this section of the bill. The printed hearings contain progress reports and financial summaries on the extension of the east front project and on the third House office building project. There is no money in the bill for the east front project, but there is $13 million included for the third office building to pay obligations accruing under contracts entered into under the basic law.

As usual, and as is necessary, we have allowed a number of mandatory cost items which come along every year, and, for the purpose of keeping the physical plant in reasonably good order—and that includes the library buildings—we have allowed various repair and improvement increases. We must keep the Capitol of the United States and its supporting buildings in good order. I am certain no one would quarrel with that.

The Architect asked for only six additional positions and we have allowed those. There is one item that I should call attention to. We have included a new item of $75,000 to enable the Architect to prepare preliminary plans and estimates of cost for an additional building for the Library of Congress. They badly need it. They have been overcrowded in the two buildings for many years. Each year, actually each month, the situation becomes worse. The Library does not stand still. It continues to grow. Our Library of Congress is the world's largest and richest in resources. The main building was constructed in 1897. The annex was built in 1938. They are using space originally designed for books and other materials for office space. In fact, the space situation is such that as a temporary but only partial measure, the Committee is recommending, under the Library section of the bill, an interim request to rent suitable space to house some of the activities that do not need to be close to the collections. We can dispense with this rental arrangement once the third building is available which, under favorable conditions, will not be before 6 or 7 years from now. The $75,000 to which I referred has been authorized by the House and the Senate in the passage of House Joint Resolution 352. We have inserted the money in order to save a year's time. We believe it to be fully justified.

BOTANIC GARDEN

There is nothing unusual about the request for the Botanic Garden. We have allowed the budget estimate of $352,300. The small increase is due solely to mandatory costs. A good many people visit the Botanic Garden each year as shown by the statistical tabulation in the printed hearings.

LIBRARY OF CONGRESS

Mr. Chairman, as I have indicated, we have a great Library across the street. It is the world's largest. It is a very important institution and we ought not to neglect it. Its collections grow and grow each year and the demands on it

continue to grow. It has been for many years an invaluable institution to the defense agencies who have been allocating millions of dollars over there for special research and analytical projects.

In this bill, we have been inclined, as we have for the last few years, to make reasonable provision for the Library. We have allowed some additional personnel, although not as many as they wanted. We recommended $15,230,000 under this section of the bill as compared to budget estimates of $18,115,200, a reduction of $2,885,200, but $927,210 above 1960 appropriations. As I indicated earlier, the largest reduction below the estimates is in the special foreign currency program where they wanted $2,811,400 and we have not gone along with it. Some of the increase over 1960 is to meet mandatory costs, price increases, and the like in order to maintain present levels of services. Also, in the Legislative Reference Service, there has been an almost phenomenal increase in the demands on that important service and we have allowed some additional personnel to try to cope with it.

In addition, under the European Law Service, as we point out in the report, we have made somewhat larger provision than recommended in the budget for that work.

For the Copyright Office, we recommend enough to maintain the current level. They did not ask for any additional personnel.

In the program for selling catalog cards, we are pleased to note that for the first time in the current year, and this is projected for the coming year, not only will the full expenditure be recovered to the Treasury through sales of catalog cards but there will be a small profit in addition. Sales volume is increasing every year. This is a very important service to libraries all over the United States.

Continuing the position taken in the past several years, we have approved some expansion in the very worthwhile books for the blind program. That is covered in some detail in the hearings.

In the past, there has been some abuse of the privilege of occupancy of the so-called study rooms in the Library. As the hearings will disclose, that situation has now been cleared up and we shall try to see that there are no similar recurrences.

GOVERNMENT PRINTING OFFICE

There are two items under the Government Printing Office heading, one for congressional printing and binding and the other for the Superintendent of Documents.

For printing and binding, we have recommended the budget estimate of $11,900,000 which is somewhat above the 1960 amount but part of it, as explained in the report, is to replace amounts borrowed from prior appropriations, under authority carried in the bill, to pay for additional printing requirements for the years involved. No one can accurately judge the requirements in advance and we must supply whatever is necessary.

For the Office of the Superintendent of Documents, we have allowed the full budget estimate which is a rather substantial increase of $328,850 over 1960. We have allowed them 25 additional jobs they wanted, but, Mr. Chairman, we are pleased to report that this operation is completely self-supporting and the revenues from sales of Government publications return a small profit to the Treasury—that is, they cover not only the expenses of the sales program, but they also more than cover the cost of all of the other activities of the Office which do not produce revenue. We have these hundreds of Government publications being printed and it is our view that we should spare no reasonable expense to make them available to the public when it is willing to pay for them.

Mr. Chairman, I have tried to touch on some of the highlights of the bill, although, as I have said before, there is not really too much involved in the bill this year. In conclusion, I might summarize by saying that generally speaking the bill provides for things to run along about like they have been for the last year or two. But, of course, there are usually, in any particular bill, a few changes.

Mr. Chairman, this is a good bill and I hope it will be satisfactory.

Mr. Chairman, I reserve the balance of my time.

Mr. HORAN. Mr. Chairman, I yield myself such time as I may require.

I think the chairman has presented this bill very well. He has called your attention to the fact that it is under last year's appropriation and some $3 million plus under the budget this year. We think it is a clean bill. We have held extensive hearings on it, and we believe this bill is entirely in order.

Mr. HOFFMAN of Michigan. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 92]

Alexander	Farbstein	Lesinski
Alford	Flynn	Libonati
Anderson, Mont.	Fogarty	Loser
Arends	Forand	McGovern
Barden	Gilbert	Mitchell
Baring	Granahan	Moulder
Barry	Green, Oreg.	Multer
Blatnik	Griffiths	Nix
Blitch	Hays	Powell
Boykin	Healey	Riehlman
Brewster	Hébert	Rogers, Mass.
Brown, Mo.	Hogan	Rogers, Tex.
Buckley	Holt	Scott
Cahill	Jackson	Sheppard
Canfield	Jensen	Short
Cederberg	Johnson, Colo.	Smith, Kans.
Chelf	Johnson, Md.	Taber
Coffin	Kearns	Taylor
Davis, Tenn.	Kilburn	Teller
Devine	Kluczynski	Thompson, N.J.
Diggs	Lafore	Walter
Dingell	Landrum	Williams
Durham	Lankford	Zelenko

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. TRIMBLE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill, H.R. 12232, and finding itself without a quorum, he had directed the roll to be called when 362 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. When the Committee rose the gentleman from Missouri [Mr. JONES] had been recognized for 5 minutes.

Mr. JONES of Missouri. Mr. Chairman, as we are today considering the appropriation bill which calls for a little over $42 million for the operation of the House of Representatives, this should be an opportune time to remind the Members of how this amount might be reduced in future years if we were to adopt some legislation which would regulate and restrict some of the printing that costs several million dollars each year.

I have always felt that the House of Representatives should set an example to the other agencies or departments of government. As long as we are extravagant and apparently take little recognition of the opportunity for saving some money ourselves, we cannot very well be too critical of other agencies.

Mr. Chairman, I have introduced two bills. One is House Resolution 307. That resolution, if adopted by this House, would provide that before printing any bill or resolution the clerk would compare the copy introduced with similar bills or resolutions introduced during the same Congress, and in lieu of printing identical bills or resolutions the title of the bill or the resolution and the name of the Member introducing the same would be printed in the CONGRESSIONAL RECORD together with a reference to the original bill or resolution introduced.

I would call to your attention and remind you that each session we have seen introduced hundreds of bills that are printed 5, 6, 7, 10, 50, and 100 times as separate pieces of legislation that go through all of the machinery and add to the cost. If we could do away with the printing of those identical bills, which are absolutely a waste of money, we could save millions of dollars.

The other piece of legislation that I have introduced is **H.R. 7676**, which would put a restriction upon the printing in the CONGRESSIONAL RECORD. During the 11 years that I have been here I have seen the CONGRESSIONAL RECORD grow to a place where it is absolutely nonsensical. We have certain rules here in the House, but all of us know that we do not abide by our own rules. We avail ourselves of the opportunity here in the well of the House to ask unanimous consent that we may extend our remarks in either the body of the RECORD or in the Appendix of the RECORD in an unlimited fashion. We have a rule which says that if the printing exceeds a certain amount, we have to go to the Public Printer and get an estimate of the cost and then come down here and ask unanimous consent again to have it inserted. Never in the 11 years that I have been here have I ever heard of any request being objected to.

Mr. Chairman, I am not saying this critically, but I am just calling your attention to try to consider how we could make a legitimate saving. I think that

we have abused many of the privileges that come to us. At the close of a legislative day we have seen men standing on each side of the aisle asking for unanimous consent that such and such a Member may extend his remarks in the body of the RECORD and to include extraneous matter, which sometimes runs many pages. They are asking permission for some Members not here; not even interested enough to be on the floor to make his own request. I realize that I could make an objection or you could make an objection and we could keep it out, but I am appealing to the Members of this House to join with me in these two pieces of legislation which would at least restore some semblance of reason, some realistic approach to this problem. I want to say this conservatively, that if H.R. 7676 is adopted, it would not affect 5 percent of the Members of this body and it would save anywhere from $3 million to $5 million during the 2 years of each Congress. I think that is a figure that we should keep in mind. In other words, if the legislation I have suggested were adopted, at the next session, when we consider this legislative appropriation bill with which this committee does such a fine job, we would be able to cut the request down by at least 10 percent. We would certainly save some money.

Mr. HORAN. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Chairman, I take this time to ask a few questions concerning this bill. I would like to start with the $13 million appropriation for the New-New House Office Building. Will someone on the committee tell me how much has been spent and what this $13 million will bring the spending for that new-new office building up to.

Mr. BOW. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I am glad to yield to my friend from Ohio.

Mr. BOW. I think the record will show that up to this point on the actual building itself and the grounds immediately surrounding the additional House Office Building, it will be somewhere around $74 million. For the completion of the program which is necessary because of the additional House Office Building, the purchase of land and buildings on the House side, which takes in the Congressional Hotel and the old George Washington Inn and the other properties, the anticipated development will amount to about $105 million.

Mr. GROSS. So it is now up to about $74 million.

Mr BOW. For the additional building itself.

Mr. GROSS. And that will not equip the building, or will it equip the building?

Mr. BOW. I understand that will not take care of the furniture; that is for the building itself.

Mr. GROSS. That is just the building without any equipment at all in it?

Mr. BOW. A completed building.

Mr. GROSS. I thank the gentleman.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I am glad to yield to my friend.

Mr. HOFFMAN of Michigan. Who authorized this new building?

Mr. GROSS. The Congress authorized it.

Mr HOFFMAN of Michigan. I know, but on what was the authorization based?

Mr. GROSS. That I could not say. The gentleman from Iowa tried to strike out the first $7,500,000 that went into it. I think the gentleman from Michigan opposed it as did the gentleman from Iowa.

Mr. HOFFMAN of Michigan. I did; and I never could find out who authorized it.

Mr. GROSS. Congress authorized it.

Mr. HOFFMAN of Michigan. I could not find out what the authorization was based on, why it was needed; there were no hearings.

Mr. GROSS. I cannot enlighten the gentleman on that.

Now, we maintain quite a fleet of Cadillacs for certain Members of the other body and the House of Representatives. Are there any new air-conditioned Cadillacs to be purchased under this bill?

Mr. NORRELL. So far as I know, there is nothing for that contemplated in the pending bill.

Mr. GROSS. I am glad to hear that. I hope those available will be driven for several more years.

When will we know what the other body is going to get by way of running its operation? Is the bill for the other body to be tied onto this, and when will we know what the other body is going to spend, or are we not supposed to know?

Mr. HORAN. If the gentleman will yield, we will not know until the other body acts on their portion of the bill.

Mr. GROSS. When this bill goes over there, they tie their bill onto this bill, and then it comes back and is acted on in conference, if there is a conference. Do we know what they are asking?

Mr. HORAN. We know the total amount, yes.

Mr. GROSS. But that is about all we will know?

Mr. HORAN. Oh, no; we will have a breakdown.

Mr. GROSS. That leads me to ask this question.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. GROSS. Yes.

Mr. HOFFMAN of Michigan. The gentleman just said that we will have a breakdown. Does the gentleman mean a national breakdown; does he mean that we will have a bankruptcy, or what?

Mr. GROSS. Mr. Chairman, I note on page 5 of the hearings an item for a physical therapist for the other body, for the new Senate Office Building. How many physical therapists are there in this bill?

Mr. NORRELL. There is no money at all in this bill so far as the other body is concerned. That will have to be included on the other side.

Mr. GROSS. This is under the title of "Senate Office Buildings." It says "One GS–7 physical therapist." How many do they have in the other body, does anybody know?

Mr. HOFFMAN of Michigan. One apiece.

Mr. NORRELL. I do not know what the other body will do.

Mr. MASON. That is in this bill.

Mr. GROSS. The gentleman from Illinois states it is in this bill.

Mr. STEED. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Oklahoma.

Mr. STEED. It has been the custom for this bill, when it first comes to the House, to exclude items pertaining solely to operation of the other body. It has always been the custom for each body to recognize the prerogative of the other to set its own expenditures.

Mr. GROSS. We are all spending the taxpayers' money, is that not correct? We are responsible for spending it. The gentleman will agree with me that the other body knows when it gets this bill what the House of Representatives is spending?

Mr. STEED. Yes.

Mr. GROSS. Then should not the House of Representatives know what they are spending?

Mr. STEED. When the conference report is filed we will have the same information about what they propose.

Mr. GROSS. We will get at the best one hour to discuss it if we feel like discussing it. The gentleman knows that the conference report is not in the nature of a bill where it is laid out in this fashion. I would like to know in detail what the other body does.

There is one other item of $6,345 for a secretary for the North Atlantic Treaty Organization Parliamentarians' Conference.

Mr. NORRELL. That goes only through this session of Congress.

Mr. GROSS. For the remainder of the calendar year or the remainder of the fiscal year?

Mr. NORRELL. The remainder of the calendar year; to the end of the present Congress only.

Mr. GROSS. Then this junketing outfit must come back to the Congress to get another appropriation for a secretary for the junketeers?

Mr. NORRELL. This year we have not allowed any money for this item beyond the end of the present Congress. This item is authorized by House resolution which currently would expire with the expiration of the present Congress.

Mr. GROSS. I appreciate that.

Mr. BOW. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Ohio.

Mr. BOW. May I point out to the gentleman that the request for the North Atlantic Treaty Organization Parliamentarians' Conference for this year was $11,710, which would have been for the entire fiscal year. However, inasmuch as the resolution expires with the Congress, the committee has allowed $6,345 for this calendar year. The legislation upon which this is based has not been made a permanent part of this bill. Therefore, if there are additional funds authorized it will have to be by new resolution.

Mr. GROSS. I appreciate the gentleman's explanation, and I hope no further money will be appropriated for this purpose.

Mr. NORRELL. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts [Mr. LANE].

Mr. LANE. Mr. Chairman, I ask unanimous consent to speak out of order and to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. LANE. Mr. Chairman, his last editorial will soon pass on review. On May 19, 1960, he will cover his typewriter, gather his personal mementoes, and leave behind the weekly newspaper where he started in as a service officer in 1934.

During that period he saw the Civil War veterans fade away into history; the men of the Spanish American War reach their sunset years; the World War I veterans attain middle age; and millions of younger Americans qualify as veterans by their service in World War II and in Korea.

Jim Sheehan knew of their proud memories and their problems, for he met them every day of his 26 years as service officer, associate editor, acting editor, and finally as editor of the National Tribune-The Stars and Stripes.

This is the weekly that for 84 consecutive years has been "the voice of the veterans." Under its masthead it runs the quote from Abraham Lincoln: "To care for him who shall have borne the battle and for his widow and his orphan."

To Jim Sheehan this was both a duty and a privilege. He gave his heart to the veterans as if they were his own sons and daughters.

A familiar feature that I always enjoyed reading was the front-page editorial which bore the imprint of his intelligence and his compassion.

He brought the gift of language to the service of the needy and ailing veterans and never let the conscience of the Nation forget its obligations to them.

He wrote the truth with kindness and courtesy that won the respect of those who opposed his views. He was honored by the many cccasions on which his editorials were reprinted in the CONGRESSIONAL RECORD, or were quoted by Members of Congress in support of legislation beneficial to veterans.

Every man or woman who served in the Armed Forces of the United States owes much to the sincerity and devotion of Jim Sheehan.

His work in their behalf has undermined his health. Failing eyesight requiring surgery has forced him to resign from his position as editor of the National Tribune-The Stars and Stripes.

In appreciation of our good friend, I urge Members of Congress and individual veterans throughout the Nation to write messages of thanks and of good cheer to James A. Sheehan. He and Mrs. Sheehan will continue to make their home at the Woodner, 3636 16th Street NW., Washington, D.C.

Mr. HORAN. Mr. Chairman, I yield 1 minute to the gentleman from Illinois [Mr. DERWINSKI].

Mr. DERWINSKI. Mr. Chairman, I merely wish to ask one question of some member of the committee, if I may. In view of the embarrassing circumstances that the other body found themselves in when certain excessive costs in the furnishing of their new office building took place; is there any attempt being made in the House to see that the taxpayers will be spared and protected from the possibility of there being a charge levied upon us in the years to come for excessive spending in our new building? Or, to rephrase the question, are we forewarned, as a result of the unfortunate experience in connection with the furnishing of the new office building for the other body, that we, as Members of the House of Representatives will not be embarrassed by abuses here?

Mr. STEED. Mr. Chairman, will the gentleman yield?

Mr. DERWINSKI. I yield to the gentleman from Oklahoma.

Mr. STEED. This work is progressing under the direction of the Architect of the Capitol. The work is also supervised by a special committee composed of three Members of the House on the House Office Building Commission. If the gentleman would go to the Office of the Architect of the Capitol and examine the plans and the details there, he will find what I believe to be true, that they are doing a very fine job in trying to anticipate everything that they possibly can. He will find also that some very substantial savings have been made. It is my impression from what familiarity I have with it that we are getting a very fine job.

For instance, in buying the steel for the building last year, by taking advantage of the market situation, we got the superstructure of steel at a cost which comes to about $1.6 million less than if it were bought today. Of course, when you are trying to build quarters for a lot of individuals like Members of Congress, it is pretty difficult to find a perfect norm that will suit them all. But, I do believe we are getting a very good job, and I urge every Member of the House who is interested to go to the Office of the Architect and study for himself the details of this building. I think the Members would find information there that would make them very pleased with the job that is being done.

Mr. DERWINSKI. Then the gentlemen and the committee feel there will be utmost practicality used so that we, as House Members, will not be embarrassed at a later date by some revelations in this respect?

Mr. STEED. I am confident of it, and I am sure you will find the members of the Building Committee and the Architect's Office glad to give any individual any information they have.

Mr. HORAN. The gentleman expresses my own feelings about the matter.

Mr. NORRELL. Mr. Chairman, I have no further requests for time.

Mr. HORAN. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. HOFFMAN].

WE SHOULD SHOW THE WAY

Mr. HOFFMAN of Michigan. Mr. Chairman, this morning there came to my desk, and I assume to the desks of other Members, several letters calling attention to the fact that tomorrow is Calendar Wednesday, insisting that I support the bill for Federal aid to education.

We all know that recently there has been first one pressure group and then another here in Washington. There were the schoolteachers who wanted more money for themselves and school construction.

There were the postal employees who, when they came to my office had a list of questions and they tried to insist upon a yes-or-no answer to each. First, "Will you vote to sustain the President's veto if he vetoes our bill?"

I am getting a little weary of this never-ending pressure when there just is not enough money to satisfy all. I told them I would at least have to see the bill in its final form to learn what was in it before I promised to vote for it. That is the position I am taking, because I recall very distinctly when that bill went through for a new New House Office Building—the third one that is going up—I raised the point of order that it was legislation on an appropriation bill, and the ruling came down after I was on my feet and I remained on my feet, that I was too early. When I called the attention of the Presiding Officer to the fact that I was on my feet and that I stayed on my feet, objecting, he said, "You are too late." [1] I would like to know when the proper time comes to make objection

[1] The CONGRESSIONAL RECORD (vol. 101, pt. 3, 84th Cong., 1st sess., pp. 3204–3205) shows that Mr. RAYBURN offered an amendment to an appropriation bill, authorizing construction of the new New House Office Building. Mr. CANNON, chairman of the Appropriations Committee, accepted the amendment and approved the expenditure. I made the point of order. The RECORD is as follows:

"Mr. HOFFMAN of Michigan. Mr. Chairman, a point of order.

"The CHAIRMAN. The gentleman will state it.

"Mr. HOFFMAN of Michigan. I make the point of order against the amendment that it is legislation on an appropriation bill.

"Mr. CANNON. Mr. Chairman, the point of order comes too late.

"The CHAIRMAN. The point of order does come too late.

"Mr. HOFFMAN of Michigan. How does it come too late when I was on my feet seeking recognition before the gentleman was recognized?

"The CHAIRMAN. The gentleman, as chairman of the committee, was recognized first.

"Mr. HOFFMAN of Michigan. That is to say the rule that requires recognition of the chairman of a committee would deprive another Member from making a point of order?

"The CHAIRMAN. No. Did the gentleman address the Chair?

"Mr. HOFFMAN of Michigan. I did address the Chair before the clerk finished reading.

"The CHAIRMAN. That was not the proper time.

to spending millions of dollars that has never been approved. How can Members with success make objection to that kind of procedure and get a vote on it? Whoever heard that a point of order of that kind came both too early and too late, or that the point of order was not in order? Nonsense, as everyone who heard the ruling, knew.

Many of the Members will have to do one of two things: We will have to increase the national debt several billion dollars and leave it to future generations to make payment of that debt, or we will have to tell these various pressure groups that we cannot go along with them.

The bill now before us provides for our own expenditures and disbursements. If we ourselves take a substantial cut, as I am now proposing, we will have ample justification for logically refusing to go along with desirable but unneeded expenditures until we are once more, as a Nation, on a sound financial basis.

I have a suspicion of what we are going to do. We are going to appropriate more money than we can either collect or borrow. We are going to appropriate more money, some paid by additional taxes and some by borrowing, and increase the national debt. We—that means you and I—are not going to pay one single dollar of that debt. We are just going to pass it along for future generations to pay.

Let us show our sincerity by cutting our own disbursements. This bill, H.R. 12232, concerns us all personally and as a group. If there must be economy and a lessening of appropriations—and there must be—this bill presents an opportunity to cut our own appropriations, show our good faith.

Are we not proud of ourselves? Should we not be? Spend the money, enjoy ourselves, pat ourselves on the back as liberals, and pass the debt on. We know we cannot pay it. We do not have the slightest intention of paying the debts we create. I would like to find some way of going back and facing the people, and the younger folks at home, who are all for this progress, as they call it, without being embarrassed by what I have done down here, and I wish somebody would tell me how to do it. We sure have adopted the policy of Hopkins' "Spend and spend; don't think of where it comes from and never or paying."

Here is an item that I want to ask the committee about. I know there is no use trying to amend the bill. We are all a part of this thing. At least, we have not the courage to vote against it here today. I just want to know about page 6, line 7, from some member of the committee, $2,450,000 to pay the special committees; does that include the special committees created, for example, by the Committee on Government Operations, or does it not? Or does it just mean committees authorized by the House?

Mr. HORAN. It does.

Mr. HOFFMAN of Michigan. That is all?

Mr. HORAN. Yes.

Mr. HOFFMAN of Michigan. I was wondering, because just a few days ago we gave the Committee on Government Operations $400,000 additional to what the committee got out of appropriations and to what the contingent funds provide for that committee. That is right, is it not? That is all extra? I assume they did. The Committee on House Administration came up with $400,000. That is an addition to that item, is it not? Well, the language is in the bill. I am just asking to get information.

Mr. STEED. It comes out of the current 1960 appropriation for this purpose if it is a special or select committee study or investigation.

Mr. NORRELL. This item is for committees of the House. The Appropriations Committee cannot, of course, veto what some of the other committees may do. We have the item here in the House.

I would like to make one statement, if I may.

Mr. HOFFMAN of Michigan. If the gentleman will give me more time.

Mr. NORRELL. I will yield the gentleman additional time.

I have been in Congress the same length of time the gentleman from Michigan has. I am serving now my 22d year. I will put my record in Congress up with that of anybody.

Mr. HOFFMAN of Michigan. I am not finding any fault with your record. I lived over in the same building with you for many years. You and your wife were working all the time, day and night. I am not finding any fault with the gentleman.

Mr. NORRELL. I appreciate that, and thank the gentleman.

Mr. HOFFMAN of Michigan. We are all in this mess. What I want to know is how I am going to square myself with these pressure groups.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. NORRELL. Mr. Chairman, does the gentleman wish additional time?

Mr. HOFFMAN of Michigan. I do not need any more time; everybody knows what the situation is. We spend far beyond our means. We continue to increase the public debt, impose additional burdens upon our people and then have the nerve to ask them to reelect us. I will vote against this bill.

Mr. HORAN. Mr. Chairman, there are no further requests for time on this side.

The Clerk read as follows:

ATTENDING PHYSICIAN'S OFFICE

For medical supplies, equipment, and contingent expenses of the emergency room and for the attending physician and his assistants, including an allowance of $1,500 to be paid to the attending physician in equal monthly installments as authorized by the Act approved June 27, 1940 (54 Stat. 629), and, in addition, an allowance of $1,500 payable to the attending physician in equal monthly installments, and including an allowance of $75 per month each to five assistants as provided by the House resolutions adopted July 1, 1930, January 20, 1932, November 18, 1940, and May 21, 1959, and Public Law 242, Eighty-fourth Congress, $16,545.

Mr. GROSS. Mr. Chairman, I make a point of order against the language beginning in line 11, after the comma following the parenthesis, and all of line 12, on the ground that it is not authorized by law.

Mr. NORRELL. Distasteful as it is to do it, reluctantly I must say I think the point of order is well taken. It is rather disagreeable to have to make that concession, but I will admit it is subject to a point of order.

The CHAIRMAN. The gentleman concedes the point of order.

The point of order is sustained.

Mr. HORAN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, this item has been in the bill for some 20 years. Admiral Calver does attend meetings around the country and it is the feeling of the Speaker and others who have studied this item that travel and other expenses having increased, the Admiral is entitled to this amount.

I trust that the House will authorize this amount of money so that the attending physician to the House of Representatives may be in attendance at these necessary meetings that he goes to around the country.

Mr. GROSS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. GROSS. Mr. Chairman, was the point of order I made conceded?

The CHAIRMAN. The point of order was conceded and sustained.

Mr. GROSS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I was hoping there would be no particular discussion of this subject, but since the issue has been raised the House should know what is at stake here. I might say to the gentleman from Washington, this is not going to deprive the House physician of a tax-free expense allowance of $1,500.

The language I struck out would have increased the allowance to $3,000 a year, tax free. That would be more than the expense allowance provided the majority leader or the minority leader or anyone else I know of with the exception of the Speaker.

If anyone can justify a $3,000 expense allowance to the House physician, who is a rear admiral in the Navy, who probably can get transportation through the Navy to those conferences the gentleman from Washington talks about, and probably does get his transportation that way, I would like to hear more about it.

Since the issue has been raised, I am going to add a few more details.

Military pay and allowances: The House physician's base pay as a rear admiral, upper half, is $16,200 a year. The special pay for physicians, dentists, and so forth, is $3,000; subsistence allowance, $574.56, and quarters allowance, $2,052. This is all annual income.

Legislative emoluments: An expense allowance of $1,500, for total gross pay

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"Mr. HOFFMAN of Michigan. I was on my feet and addressed the Chair before the clerk finished and as soon as he finished. Now, if I have to shout louder, I can do that.

"The CHAIRMAN. The Chair could not recognize the gentleman until the clerk had finished reading."

This third office building for the House was the child of the Speaker of the House, Mr. RAYBURN.

and allowances of $23,326.56. The pending increase would have added to that $1,500 a year, resulting in a total of $24,826.56, or more than any ordinary Member of Congress receives.

If the gentleman from Washington can justify that, if he still insists that the House authorize an additional $1,500 for the House physician, I will be glad to meet you and argue the case when he gets an authorization bill on the floor.

Mr. Chairman, let me add that the House physician also has a seven-passenger, air-conditioned Cadillac and chauffeur at his disposal. This has been provided by the legislative branch. He also has a Chrysler Imperial which I understand is supplied by the Navy.

As a naval officer he also has free medical care; a free retirement plan, and an added fringe benefit is reduced rates for personal purchase—PX commissary—if he cares to avail himself of that service.

Mr. Chairman, the time has come to scrutinize all these expenditures with the utmost care, and that I propose to do in the future.

The Clerk concluded the reading of the bill.

Mr. PELLY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the Committee has just finished consideration of the legislative appropriation bill, which of course covers the Office of the Parliamentarian; and I just want to express this thought. Our parliamentarian has been indisposed and is in the hospital. Lew Deschler has the respect of all of us. We are all very fond of him, and I just want to use this minute to express my regret at his illness and hope that he will soon be back with us. I know all Members join me in wishing Lew well and extending best wishes.

Mr. NORRELL. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with the recommendation that the bill do pass.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. TRIMBLE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 12232) making appropriations for the legislative branch for the fiscal year ending June 30, 1961, and for other purposes, had directed him to report the bill back to the House with the recommendation that the bill do pass.

The SPEAKER. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken, and the Speaker announced that in his opinion the ayes appeared to have it.

Mr. HOFFMAN of Michigan. Mr. Speaker, I object to the vote on the ground that a quorum is not present and I make the point of order that a quorum is not present.

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that further proceedings on this matter go over until Thursday.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER. Does the gentleman from Michigan withdraw his point of order?

Mr. HOFFMAN of Michigan. No. I am advised that I cannot withdraw it.

CALL OF THE HOUSE

The SPEAKER. Under the unanimous-consent agreement, further proceedings on this bill have been postponed until Thursday.

Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 93]

Alexander	Friedel	Magnuson
Alford	Garmatz	Mitchell
Anderson, Mont.	Gilbert	Morris, Okla.
Arends	Goodell	Moulder
Auchincloss	Granahan	Multer
Ayres	Green, Oreg.	Nix
Barden	Green, Pa.	Powell
Baring	Griffiths	Riehlman
Barry	Hargis	Rogers, Mass.
Baumhart	Hébert	Rogers, Tex.
Blatnik	Herlong	Scott
Bonner	Hogan	Sheppard
Brewster	Holtzman	Short
Brown, Mo.	Jackson	Smith, Kans.
Buckley	Johnson, Colo.	Smith, Miss.
Canfield	Johnson, Md.	Spence
Celler	Jones, Ala.	Taber
Chelf	Kearns	Taylor
Coffin	Kilburn	Teague, Tex.
Davis, Tenn.	Kirwan	Teller
Devine	Kluczynski	Thompson, La.
Diggs	Lafore	Walter
Durham	Landrum	Widnall
Edmondson	Lankford	Williams
Farbstein	Libonati	Willis
Flynn	McCulloch	Withrow
Fogarty	McDowell	Zelenko
Forand	McGovern	
	Madden	

The SPEAKER. On this rollcall 341 Members have answered to their names. A quorum is present.

By unanimous consent, further proceedings under the call were dispensed with.

SAN LUIS UNIT OF THE CENTRAL VALLEY PROJECT

Mr. SMITH of Virginia. Mr. Speaker, I call up House Resolution 514 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 7155) to authorize the Secretary of the Interior to construct the San Luis unit of the Central Valley project, California, to enter into an agreement with the State of California with respect to the construction and operation of such unit, and for other purposes. After general debate, which shall be confined to the bill, and shall continue not to exceed 3 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interior and Insular Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. SMITH of Virginia. Mr. Speaker, I yield 30 minutes to the gentleman from Tennessee [Mr. REECE], and yield myself such time as I may consume.

The SPEAKER. The gentleman from Virginia is recognized.

Mr. SMITH of Virginia. Mr. Speaker, this is a rule providing for the consideration of the bill (H.R. 7155) to authorize the Secretary of the Interior to construct the San Luis unit of the Central Valley project, California, to enter into an agreement with the State of California with respect to the construction and operation of such unit, and for other purposes. It is an open rule providing for 3 hours of general debate.

The bill has been before the Rules Committee on several occasions. Frankly, I have serious doubts about the bill myself. There is this feature about it which is very complicated: It is a joint project between the State of California and the Federal Government, for this project is an integral part of the Federal project known as the Central Valley project.

This bill will cost the Federal Government something like $250 million and a figure of that size always scares me. However, from a thorough investigation I made outside of the testimony before the Rules Committee I ascertained that the State of California had already proceeded on the project, had made certain binding arrangements with the Federal Government, and was so deeply involved in it that there was no question in my mind that the matter would work out all in good faith by both the State of California and the Federal Government; and I hope this rule will be adopted.

There is one controversial matter in the bill and I think the House ought to know about it, because I think all of us will want to consider it. There is a clause in the bill, a saving clause, known as section 7, which provides that the fact the State of California enters its project along with the Federal project does not bind the State under certain provisions of the National Reclamation Act. In other words, it is a States' rights question and California desires to reserve its rights. It hinges around that provision in the Reclamation Act regarding the 160-acre limitation to one individual. I would hope that the House would sustain the committee on this provision and leave section 7 in the bill. But I mention it because I think it involves a controversial matter.

Mr. Speaker, this is all I have to say on the subject. I hope the rule will be adopted.

The SPEAKER. The gentleman from Tennessee is recognized.

Mr. REECE of Tennessee. Mr. Speaker, I have no demand for time on this side, and I shall not take any time myself except to say that I associate myself with the remarks of the gentleman from Virginia; I hope that the rule will be adopted and that the bill with section 7 may pass.

Mr. SMITH of Virginia. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

Mr. ASPINALL. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 7155) to authorize the Secretary of the Interior to construct the San Luis unit of the Central Valley project, California, to enter into an agreement with the State of California with respect to the construction and operation of such unit, and for other purposes.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 7155) with Mr. THOMPSON of Texas in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. ASPINALL. Mr. Chairman, I yield myself 14 minutes.

Mr. Chairman, the Committee on Interior and Insular Affairs brings to the Committee at this time one of the finest reclamation projects that we have endorsed and recommended for many years. We have so scheduled our time that it is my opinion we shall be able to present the arguments for the legislation logically, and I am sure that those who are in opposition will also have time to voice their position. Also the one section which is in dispute will be argued by the proponents and opponents, so that all Members may understand what is involved.

Due to the fact that this is an important piece of legislation and the only really large reclamation project that will be brought before the 86th Congress, I shall speak from manuscript and as soon as I finish reading the manuscript I shall try to answer any questions if there are any.

Mr. Chairman, H.R. 7155, the legislation now before the Committee, has for its purpose the authorizing of the construction and operation and maintenance of the San Luis irrigation unit of the Central Valley project of the State of California. This is a multipurpose facility with 99.97 percent of the cost allocated to irrigation, which means for all practical purposes the entire cost of construction of this project shall be repaid in full. The project has the unqualified approval of the Department of the Interior and the Bureau of the Budget. It also has unanimous support in California.

The San Luis unit is the next logical addition to the Central Valley project which was initially authorized in 1937. The American River division was added in 1949, the Sacramento Canals division in 1950, and the Trinity River division in 1955. The San Luis unit has been under study since 1943.

Mr. Chairman, this is one of the best irrigation projects that has been recommended by the House Committee on Interior and Insular Affairs for many years. To my friends who usually support these programs, may I say to you that this legislation is in line with established principles and policies approved and followed over the years. To my friends who are critical of such Federal activities, may I say to you that this legislation meets most of the objections which you have voiced here on the floor in the past. As we present our case, we shall appreciate it very much if you will give us your close attention so that if your questions are not answered by our direct presentation then we may have the opportunity and privilege of attempting to answer to your satisfaction any questions that remain.

The San Luis project, which would be authorized by this bill, meets the three all-important requisites necessary in such matters:

(a) It possesses engineering feasibility, that is, the facilities which are contemplated can be built to do the job required of them.

(b) It possesses economic feasibility, that is, the benefits to the State and Nation which will flow from the project far outweigh the costs of the project.

(c) It possesses financial feasibility, that is, the costs which are reimbursable will be repaid to the Federal Government within the regularly established and accepted payout period of 50 years.

Other speakers will go into these matters in more detail.

Mr. Chairman, for many years now, the membership of your House Committee on Interior and Insular Affairs, with me as their spokesman in such matters, have endeavored to support and champion an orderly and constructive irrigation and reclamation construction program. It has been our thinking that this is the responsibility of Congress and not of the agencies in the executive branch. To such purpose, I have met annually with the Subcommittee on Appropriations for Public Works. I have consistently presented what I considered to a reasonable and orderly program for the Bureau of Reclamation. At times this has meant asking for new starts. At other times, as this year, it has meant supporting the recommendations coming up to us from downtown.

The legislative record of reclamation and irrigation authorizations, together with amounts appropriated for construction of such programs since 1947, Congress by Congress, is as follows:

[In millions]

	Authorizations	Construction appropriations
80th Cong. (1947–48)	$40.5	$375.9
81st Cong. (1949–50)	479.1	579.0
82d Cong. (1951–52)	16.1	385.5
83d Cong. (1953–54)	130.3	247.7
84th Cong. (1955–56)	1,162.8	303.0
85th Cong. (1957–58)	71.2	361.6
Total	1,900.0	2,252.7
Average per Congress	317.0	375.0

Authorizations for the 1st session of the 86th Congress total about $14.4 million while appropriations amounted to $207 million.

It can be seen from these figures that the average authorization per Congress since 1947 has been in the amount of $317 million and the average appropriations for each Congress has been $375 million.

A large portion of the appropriations during this 12-year period has been used for construction of projects authorized prior to this period such as the initial units of the Missouri Basin and Central Valley projects and the Columbia Basin project and, of course, a large portion of the work on the larger projects authorized during this period remains to be done, but this comparison does illustrate the point that I want to make and that is that over a long period the authorizations must support the construction program.

The civil works construction program of the Corps of Engineers has received an average of over $1.13 billion per Congress during the same 12-year period compared with the $375 million for the reclamation program, or three times as much. The civil works program is fully justified and I support it. I make this comparison only to show that the reclamation program has not kept pace with the civil works program in our expanding economy.

It is my belief, and I have so recommended to the Subcommittee on Appropriations for Public Works, that the national economy can stand, in fact, would be enhanced by, an annual irrigation and reclamation construction program of around $300 million, give or take a few million as each year presented itself.

This now brings me to the amount in dollars that is involved in the legislation that is before us, and the relationship of this amount to our program of authorizations for the 86th Congress.

The San Luis bill would authorize the appropriation of $290 million for construction of the San Luis unit. In addition to the basic project, distribution, and drainage systems, costing about $192 million will be needed. These systems could be built by the local districts or they could be built by the Federal Government. Those that are built by the Federal Government must be paid for in 40 years under separate repayment contracts. I would like to point out that agreement with the State with respect to joint construction, and I do not believe there is any question but that there will be such agreement, would result in a reduction in the Federal cost of about $50 million. This is simply a matter of sharing the cost of works built to capacity to serve both the San Luis unit and State service areas. Additional amounts may be saved if a satisfactory agreement can be reached with the local power company for power transmission.

While the amount involved in this bill is a rather large single item, it must be considered in the light of the expected overall program for reclamation authorizations in the 86th Congress. In the first session, three small projects were authorized involving a total amount of only $14 million and the addition of the

San Luis project would result in authorizations totaling only a little over $300 million, plus whatever amount is required for the San Luis distribution systems. The point I am making is that this one project constitutes practically the entire authorizations program for the 86th Congress.

Mr. Chairman, I would like to discuss very briefly section 7 of the bill, which appears to be the only controversial matter involved in this legislation. Section 7 provides that the Federal reclamation laws shall not be applicable to water deliveries by the State of California from the jointly used San Luis facilities to lands outside the Federal San Luis unit service area. Now, it is my position and the position of the majority of my committee that it makes no difference whether this section is in the bill or out. We do not believe that reclamation law would be applicable to State-served lands even if this section is removed. The basis for this position is discussed in detail in the committee's report. The section was included in the bill at the request of the State of California as a means of bringing into unanimous agreement the many diverse interests and points of view in the State.

It is only by chance that there is any connection between the Federal and State projects. If two reservoir sites had existed, each government would probably have used one of them on its own terms, and the excess-lands problem, as applied to State lands, would not have arisen. But the physical situation is such that there is only one adequate reservoir site in the area to serve both projects. The State of California will have paid its entire share of the cost of constructing the joint-use facilities prior to its utilization of them for storage and delivery of water.

The majority of my committee feel that, insofar as there is a problem of large ownerships in the State-served area, this is a matter for the State of California to resolve. It is my understanding that the Governor of California is now in the process of formulating a State policy with respect to large ownerships served by State projects and that his recommendations will be submitted to the State legislature.

Because there has been so much misunderstanding and misinformation on this matter of excess lands, I want to make one point unmistakably clear. The legislation we are considering here requires the operation of the Federal San Luis unit under the provisions of Federal reclamation law, including the excess-land provisions thereof, and there is no way that large landowners in the Federal San Luis area can avoid compliance with such provisions.

In closing, Mr. Chairman, I would like to make a brief statement on reclamation development in general. In my opinion, the continued development of supplemental water supplies for existing irrigated areas is entirely consistent with sound long-term agricultural objectives. It provides the most important basic element to a successful regional economy, a stable diversified agriculture; it complements and enhances our overall agricultural economy, tending to alleviate, rather than add to, the existing imbalances or surpluses; and it helps to insure adequate future food and fiber for our rapidly growing population.

The objective of expanding the economy of the West is of prime importance to the whole Nation. The Federal reclamation program has been one of the important tools by which the underdeveloped arid and semiarid regions of the West have been made into a habitable and productive part of the Nation by promoting westward movement of population, business, and agriculture and providing a solid base for investment and employment where little existed previously. The reclamation program still has these positive influences today.

With respect to my statement that reclamation tends to alleviate the existing imbalances in agriculture, I have this to say. It is not widely understood that irrigation farming in the West enjoys a complementary, rather than competitive, relationship with the whole of the country's agriculture. Of the major crops in surplus, those that constitute more than four-fifths of the holdings and loan commitments of the Commodity Credit Corporation, reclamation farms grew only three of these crops and the 1958 contribution from reclamation farms amounted to only 1.8 percent of the holdings. The reason why this proportion is so small when the total importance of reclamation in the economy of the West is so great is that the irrigation farmer has been able to shift production from surplus crops to those that are in current demand. The nonirrigated land is largely tied to a one-crop economy and cannot diversify in response to changing demand patterns. Reclamation has played a large role in facilitating these adjustments and in enhancing the efficiency of the agriculture of the West as a whole. The misapprehension that any extension of irrigation will compound the Nation's agricultural difficulties is not borne out by the facts, either past or present.

In addition, we are advised by agricultural authorities that our present crop imbalances are merely temporary and that continued efforts are needed in research and the conservation and development of soil and water resources. They emphasize that the capacity to meet the food and fiber needs of the expanding population does not just happen automatically. Because major irrigation projects do not reach a fully developed stage until 15 to 25 years after the start of authorization, it is essential that reclamation needs be viewed in future perspective.

The Nation's population is increasing at about 8,600 additional persons per day while the acreage of good cropland diminishes at a rate of 3,000 acres per day due to conversion to roads, airports, and cities. Just how soon our agricultural abundance will give way to shortages depends on what positive steps are taken to overcome the effects of these incursions.

To accommodate the tremendous population surge toward the West the base for economic development has to be provided via water resource development for farms and cities. The material demands of these new westerners come back to the eastern industrial centers in the form of orders for new equipment, new cars, new appliances, additional fuel, chemicals, clothing, and capital.

Our reclamation authorization program for the 86th Congress, to a large extent, is included in this one bill to authorize the San Luis project. I urge my colleagues to give their approval to this legislation.

Mr. Chairman, I yield 15 minutes to the gentleman from California [Mr. SISK].

Mr. UDALL. Mr. Chairman, will the gentleman yield?

Mr. SISK. I am happy to yield to my colleague, the gentleman from Arizona.

Mr. UDALL. I want to pay a tribute to the gentleman from California. He and I came to the Congress at the same time, and we have sat alongside each other in committee for 6 years. This represents, I think, a notable day, a red letter day, for him because when he came to the Congress, his main aim as a Congressman was to get the San Luis project authorized. I have sat by him over the years and I know the work he has put into the planning of this project. Today, we have the culmination of his efforts and the efforts of his colleagues on the committee. I think this project is soundly conceived. I think it is a project which is in the national interest. Every Member of this body can conscientiously support it. I just want to compliment my colleague for the conscientious and hard work that he has put in over the past 6 years on this project, and I am delighted to be here on the floor today to support him and his project.

Mr. SISK. I certainly thank my colleague, the gentleman from Arizona, for his kind remarks. I am also deeply grateful to him for the assistance he has been in what amounted to a major endeavor to get this project thus far along the road.

Mr. Chairman, I would like first to call the attention of the Members to these charts, which we have here in front of you at the present time.

I want to call your attention to the map here to my left which shows the existing Central Valley project of California, the portion which has heretofore been constructed. That is the portion which is shown in green, starting in the north end of the State, up on the Sacramento River, showing the Shasta Dam and powerplant and the Keswick Dam and powerplant.

This portion, under construction at the present time, is the Trinity project. Then, coming on down the river, there is the Folsom Dam, Nimbus, and Sly Park. Then in the San Joaquin Valley is the Friant-Kern Canal which takes the water from Fresno County south, and the Madera Canal, together with the Delta-Mendota Canal into this area along the San Joaquin River. Also, the existing Tracy pumping plant.

Mr. ASPINALL. Mr. Chairman, will the gentleman yield?

Mr. SISK. I yield.

Mr. ASPINALL. Will you explain the direction of the flow of the water in that particular area?

Mr. SISK. I will be glad to. I appreciate the gentleman calling my attention to this. I realize that some of these things are confusing. Actually, the Sacramento is flowing down here south into San Francisco Bay, and into the Pacific Ocean through the delta area. The San Joaquin River is flowing north from the lower end of the valley, and then into the delta area, where the water also empties through the bay and into the Pacific Ocean. As a result it can be confusing, when we have rivers flowing actually in opposite directions, and these rivers are fed by a series of streams, such as the Kern, Kings, the Fresno, Merced, and so forth. In the north they are fed by the Feather River, the Yuba, and many others. But the two rivers that converge in this delta area cause the surplus water to be dumped into the Pacific Ocean.

The project we have under consideration at this time, the San Luis project, is shown in red on this map, and it proposes to use existing facilities and add new ones. At the time that the Central Valley projects was constructed in this area and Friant Dam was built and the water diverted north and south from the San Joaquin, it was necessary to replace the water taken out of the river for these people who had water rights on the San Joaquin. So at that time there was a pumping plant built at Tracy.

Mr. GEORGE P. MILLER. Mr. Chairman, will the gentleman yield?

Mr. SISK. I yield.

Mr. GEORGE P. MILLER. I think, in order to clarify the matter so that it will be better understood, we should point out there is a surplus of water in the Sacramento watershed to the north, whereas the amount of water that is collected and falls into the San Joaquin Valley and runs north, is in short supply and cannot irrigate all of the available land in the lower San Joaquin Valley.

Mr. SISK. I appreciate the gentleman's contribution, because that is exactly the situation. That is an area of deficient water. That is the reason why it is necessary to have these various water projects.

Continuing this explanation, this is the reason why it is necessary to take water out of the delta and bring it down into the Central Valley to irrigate this area of land. At the present time the Tracy pumping plant is used only in the summer or during the irrigation season, since there is no storage in this area. Those facilities are idle during the winter months when there is a great deal of rain occurring in those mountains, and millions of acre-feet of water pour out into the Pacific as waste water.

The San Luis project proposes to use these existing facilities during the months of December, January, and February to bring the water down through existing facilities and pump it into the San Luis Dam Reservoir at this point.

Mr. JONAS. Mr. Chairman, will the gentleman yield?

Mr. SISK. I shall be very happy to yield.

Mr. JONAS. Will you tell the committee whether the cotton acreage in the project is in the green-colored area or in the brown-colored area?

Mr. SISK. At the present time, so far as existing cotton acreage in the valley area is concerned, it would be scattered over the valley, including this particular area here.

Mr. JONAS. That is the brown-colored area.

Mr. SISK. That is right.

Mr. JONAS. And there is no irrigation in that area?

Mr. SISK. Yes, there is. That is what I wanted to proceed to as quickly as I outline this, and I have just about completed my outline.

This is an area which is at present under irrigation. At present it is being farmed; but we have a situation where our water table is going down and down. There was a time when this area could be irrigated with pumping from reasonable depths. At the present time that water has to be pumped from a depth of hundreds of feet. The water table has gone down and down until today the wells that are being put down in this area are over 2,000 feet deep, and some run to 3,000 feet. We are lifting water with 300-horsepower pumps in an attempt to keep this agricultural area alive. So actually we are not putting any land under cultivation by this legislation; we are simply seeking to keep land in cultivation. I want to go back to my notes for a moment. Then if any Member has a question regarding these charts I will be glad to hear them. I want to show the State overlay for just a few moments in order to get back to the physical conditions.

We are pumping to keep 440,000 acres in this area under cultivation. We are not proposing to bring in new land. This land has been farmed for a great many years.

The situation then is this: It costs about $75,000 to put down a deep well. This means that the small operator is precluded from operating in this area until such time as we can get a surface supply of water which will permit him to move in and farm his own land, whether it be 160 acres, 320 acres, or whatever it may be. The present cost is from $60,000 to $100,000 to construct and sink a well. This, as I said, requires a large operator to carry on such an operation, and the small farmer is of necessity forced to lease his land or rent his land to larger operators.

Mr. JONAS. Mr. Chairman, will the gentleman yield?

Mr. SISK. I yield.

Mr. JONAS. What is the average cotton yield per acre?

Mr. SISK. The average cotton yield per acre in this area would run about 3 bales. That has been the average yield. It would run from 2½ to 4 bales to the acre.

Mr. JONAS. Do you estimate that the cotton land will increase through additional irrigation?

Mr. SISK. No; I do not anticipate any increase in yield. In fact, all of our figures show that acreage would substantially decrease. I am not saying that the amount of cotton per acre will decrease. I would not anticipate any basic change in production per acre on this project, because at the present time it is irrigated; and it, of course, would continue to be irrigated.

Mr. JONAS. Mr. Chairman, will the gentleman yield further?

Mr. SISK. Yes; I shall be pleased to yield.

Mr. JONAS. According to the committee report, page 6, 132,000 of the 400,000 acres are devoted to cotton; and the statement is made that there will be no reduction in cotton acreage. Is that correct?

Mr. SISK. No, that is not correct. It is not correct that the report says specifically there will be no reduction. Let me get a copy of the report.

Here is the situation that exists as far as cotton acreage is concerned: The deep well pumps are bringing up so much boron in the water at the present time that the trees have become sterile in this area, the trees and the vines. This is in a semitropical area. The east side of my district is practically all devoted to vineyards, fruits, and vegetables. The boron in the water has brought about a condition in this area where the trees are sterile and will not produce. Therefore we are completely forced to row crops, cotton, and grain. That is about the only thing we can depend on in the area. However, if we are able to get a supply of surface water we will be able once again to go to the development of vineyards, groves of nuts, groves of figs, and other things that can be supported in this area with fresh surface water.

Very frankly, there is a great deal more profit in growing this kind of commodities and we do not have surplus problems.

Mr. JONAS. May I quote this sentence appearing in the third line of page 6 of the report:

> While there probably will be little change in the cotton acreage, it is expected that the acreage in irrigated grain will be drastically reduced.

It was on the basis of that sentence that I asked the gentleman if he expected there would be any reduction in the 132,000 acres of cotton now under production in that section.

Mr. SISK. I am sure those figures are taken from the Bureau of Reclamation report. Of course, I think that the amount of cotton that will continue to be grown will depend to a large extent on the economy of the cotton industry. If prices remain high there might be continued to be produced a rather substantial quantity. On the other hand, there is no comparison between the financial results of cotton and of row crops and citrus. There is lots of citrus on the east side of my district, as well as other commodities that produce high returns and would be a great deal more enhancing financially. Certainly, there is not any question in our mind but that this area will go into groves, into orchards, into vines, as rapidly as water is available, and it can be made to pay financially. For example, I might state that the Boston Land Co. a number of years ago went into this area and sunk about $3 million in an attempt to create

orchards. They had some big, beautiful trees but absolutely no fruit, since this boron situation existed, and it is my understanding they lost some $4 million or $5 million.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. ASPINALL. Mr. Chairman, I yield the gentleman 10 additional minutes.

Mr. GUBSER. Mr. Chairman, will the gentleman yield?

Mr. SISK. I yield to the gentleman from California.

Mr. GUBSER. I would like to fortify the gentleman's point by bringing out the fact that there is a definite tendency for sugar-beet production to move into the San Luis service area. One of the great limitations on sugar-beet production happens to be water quality. With improved water quality that would come from surface distribution I think it would be safe to predict that thousands of acres of sugar beets would be planted to replace acreage which is currently devoted to cotton.

Mr. SISK. There is no question but that if we can get this water in here and we get a quota on sugar beets, we would be growing sugar beets, because this is a very fine sugar-beet producing area. What is going to happen on the domestic sugar deal, I do not know.

Mr. SMITH of Iowa. Mr. Chairman, will the gentleman yield?

Mr. SISK. I yield to the gentleman from Iowa.

Mr. SMITH of Iowa. As I understand it now, there is no limitation at the present time of any kind as to the crops that can be grown on these acres, is that true?

Mr. SISK. As to the kind of crop?

Mr. SMITH of Iowa. Yes.

Mr. SISK. No. If we had a good supply of the right kind of water, that is, a water free of minerals, we can grow any kind of fruits, vegetables, and nuts known to man in this area.

Mr. SMITH of Iowa. At the present time basic commodities can be raised on those acres?

Mr. SISK. At the present time basic commodities can be grown. The one basic commodity, cotton, is being grown in this area.

Mr. SMITH of Iowa. In the Senate bill there is an amendment that restricts the growing of additional crops on these acres if water is put into this area?

Mr. SISK. That is correct.

Mr. SMITH of Iowa. If that amendment were adopted in this bill we would be extending the conservation reserve to new acres, that is, to 500,000 fertile acres?

Mr. SISK. I think the gentleman well states that. I know, of course, that an amendment is going to be offered to put this section which he refers to in the Senate bill into the House bill. I expect to agree to accept that amendment as far as I am personally concerned. I would not anticipate any particular objection to it.

I might briefly read that amendment:

(b) No water provided by the Federal San Luis unit shall be delivered in the Federal San Luis service area to any water user for the production on newly irrigated lands of any basic agricultural commodity, as defined in the Agricultural Act of 1949, or any amendment thereof, if the total supply of such commodity for the marketing year in which the bulk of the crop would normally be marketed is in excess of the normal supply as defined in section 301(b)(10) of the Agricultural Adjustment Act of 1938, as amended, unless the Secretary of Agriculture calls for an increase in production of such commodity in the interest of national security.

Mr. SMITH of Iowa. And with the adoption of that amendment we would then be reducing by 500,000 acres the acreage in the United States that can be used for growing these surplus crops; is that correct?

Mr. SISK. That is correct in ultimate result. It would prohibit new cotton acreage and would make possible the growing of nonsurplus crops on land now growing cotton. I appreciate the gentleman's comment.

I would like to quickly proceed to the overlay showing the connection between the State and the Federal projects.

Mr. COHELAN. Mr. Chairman, will the gentleman yield?

Mr. SISK. I yield to the gentleman from California.

Mr. COHELAN. I wonder if the gentleman would enlighten me as to whether all of the works depicted on this basic map are Federal works and subject to the 160-acre limitation in the reclamation law.

Mr. SISK. All the works depicted in green, and also the cross-hatched, are Federal projects and are subject to the 160-acre limitation.

Mr. COHELAN. Would it be fair to say that under the actual situation in the State of California as far as reclamation projects are concerned they are pretty much entirely Federal?

Mr. SISK. No; I would not say that, either. I could cite to the gentleman many, many projects all through this area: the Merced works in here, the Don Pedro Dam, Modesto Irrigation District, Fresno Irrigation District, all publicly owned and operated districts in the State that are not Federal. The fact of the business is that percentagewise you have a great portion of your acreage under either public water or public irrigation districts that are not under Federal reclamation.

Mr. COHELAN. Would the gentleman be willing to give me a figure of what percentage of the total it would be so that we can get a comparison between the Federal facilities and the other agencies?

Mr. SISK. I can get that figure. I do not have it at hand now. I would say that the Federal facilities would be less than 50 percent of the total.

This is an overlay indicating the proposed State project in California, a project which has been authorized by the legislature of the State of California. They passed a bond issue which will be on the ballot this year for $1.75 billion for a State project. They have already spent about $172 million on this. They have a substantial appropriation that they are working on at the present time. This is the portion in red, starting with the Oroville Dam, and over here North Bay and South Bay aqueducts.

I want to quickly point out, because I am running out of time, how their project fit into the Federal project and how they enhance each other and reduce the cost to both agencies. This San Luis site happens to be the only substantial reservoir site on the west side of the San Joaquin Valley. The State proposes to bring water from the delta area, take it down through the valley, take it over the mountains and into the Los Angeles-San Diego-San Bernardino area. They need storage for water en route, and therefore they need this storage here in this area, since this is the only real good site. They need approximately 1 million acre-feet of storage. The Federal project, which has been on the drawing boards for the last 20 years and which we are discussing today, the San Luis project, needs approximately 1 million acre-feet of storage to take care of this San Luis area in here. Therefore, by joining together and using the same site but simply building a dam a little bit higher, we are able to reduce the cost both to the Federal Government and to the State and at the same time tie the two projects together at this point. I want to make it completely clear that outside of this point, the State will have its own canal system, its own pumping plants, just as the Federal Government already has in the existing canal to get this water into the Federal San Luis area. The State will not serve water in the Federal area and the Federal Government will not serve water in the State area. They are completely separate and apart. So, for all practical purposes, they are two entirely separate projects except that they are using a common site or, as if they were operating two entirely separate businesses out of the same building.

Mr. GUBSER. Mr. Chairman, will the gentleman yield?

Mr. SISK. I yield to the gentleman.

Mr. GUBSER. I think the gentleman should state that the area upon which this reservoir will be situated is currently owned by the State of California; is that correct?

Mr. SISK. That is correct. And this, of course, goes to the point that our colleague, the distinguished chairman of the Rules Committee, mentioned awhile ago with reference to the commitments of the State to go through with it; the State of California has already proceeded to purchase lands on this reservoir site. I do not think they are all acquired, most of the site has already been acquired and is now in the hands of the State.

Mr. Chairman, this piece of legislation in essence authorizes the Secretary of the Interior to enter into an agreement with the State of California for a joint-use development which will reduce the cost of the Federal project by about $55 million; and at the same time will do the job that is needed to be done in this area where water is so desperately needed. At the same time it will help the State to construct and operate its own project in the transportation of water from the water surplus areas of the north to the water-deficient areas of the south.

Mr. BOW. Mr. Chairman, will the gentleman yield?

Mr. SISK. I yield to the gentleman.

Mr. BOW. I do not know whether I have clearly in mind the gentleman's thought, but there is an item that I should like to inquire about from the appropriations standpoint. On page 12, in section 8, there is the figure of $290,430,000. Then I find on line 19 on the same page the language—

> There are also authorized to be appropriated in addition thereto, such amounts as are required (a) for construction of such distribution systems and drains as are not constructed by local interests—

Can the gentleman advise us or give us any idea as to what that open-end authorization would amount to? We have $290 million and here is an authorization for appropriation without any limiting amount set out.

Mr. SISK. I appreciate the question the gentleman asks and I certainly want to be truthful in answering it. This is the identical language, so far as I know, used in every reclamation project. This is to provide that if the people in the area—in the Westlands Water District, or in other districts—if they desire, they may contract in seperate contracts for funds to construct the irrigation distribution system to carry water to individual farms, or they can do it through their own facilities, or they can do it through some other method. There are a number of ways. Many of these irrigation districts handle their own financing in other ways. But this provides that if the irrigation districts desire and if an equitable agreement can be worked out between the Bureau of Reclamation and the irrigation districts, the money can be borrowed to construct their irrigation facilities.

Mr. BOW. If the gentleman will yield further, I note on page 6 of the report the statement that—

> The distribution and drainage systems which, as previously stated, could be constructed by the Federal Government or by the water users are estimated to cost $192,650,000.

So that what we are in effect doing here is authorizing $290,430,000, plus the $192,650,000; and I note further that there is an open end appropriation for operation and maintenance costs. So operation and maintenance also could be included in addition to the $290,430,000 and the $192,650,000.

Mr. SISK. Any contract which the Bureau would enter into would require the payment of O. & M. costs year-by-year by the district, so that does not become a call upon the Federal Government for O. & M.

As I said, the proposed irrigation distribution system would serve approximately 440,000 acres, and this runs in the neighborhood of $200 million, $192 million, whatever figure the gentleman used. In these reclamation projects we use this language here which would permit a district if it desires to build a system through the Federal Government.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HOSMER. Mr. Chairman, I yield 3 additional minutes to the gentleman from California.

Mr. JONAS. Mr. Chairman, will the gentleman yield?

Mr. SISK. I yield to the gentleman from North Carolina.

Mr. JONAS. Will the gentleman from California tell the committee, will the Government recover any interest on these advancements?

Mr. SISK. The only interest that will be paid on these funds will be for municipal water deliveries. In this area there are several small towns. There is one fair-sized city, the city of Coalinga, which recently was paying about $2,150 per acre-foot for its drinking water. They have a deplorable water situation. This project provides for a water system for the city of Coalinga. Of course, interest will be paid on their portion; other than that it is for irrigation purposes only. This is a regular project fitting into the reclamation law, which provides for these projects to be paid for without interest. It will be only municipal water on which there will be interest paid.

Mr. Chairman, I am very happy to have an opportunity to answer as best I can any questions Members may have on this project. In the time I have left I want to refer to this other map. When I spent so much time on this one, I never got to this. This is identically the same project, but blown up in that specific area which is to be served by the San Luis project. It does not show the extreme north end of the State as this map does. It shows the way the State project would fit into the Federal project.

I want to add one thing in summation, that this overall San Luis State and Federal project is approximately a $500-million project, with a total cost to the Federal Government, provided this agreement can be arrived at which is authorized by this legislation, of about $234 million, and with the cost to the State about $266 million, for this part of the State's project.

Mr. COHELAN. Mr. Chairman, will the gentleman yield?

Mr. SISK. I yield to the gentleman from California.

Mr. COHELAN. Is the project as to San Luis more Federal or more State? I am not clear on the hybrid character of it. It seems to me this is a very important point, because whether or not it is more Federal than State or more State than Federal has a great deal to do with whether the reclamation law applies. Will the gentleman comment on that?

Mr. SISK. The reclamation law will apply 100 percent to the entire Federal area. There is no State water to be delivered in this area at all. The only thing the State does is that through its own canals it brings water down here, puts it into a reservoir which they have paid cash for, their portion of it, then out through their own State canals down into the southern end of the San Joaquin Valley, Kern County, and over the Tehachapis into Los Angeles County. The State of California will deliver the waters for State purposes into this area.

Mr. COHELAN. Is it not true they are using Federal facilities to deliver the water?

Mr. SISK. No; they are not.

Mr. COHELAN. What is that, then?

Mr. SISK. Does the gentleman see the green canal?

Mr. COHELAN. Yes.

Mr. SISK. That is existing Federal facilities; that is, the facilities in which the Federal water will flow down here and go through Federal pumps, out to Federal facilities. And the water will go out through a Federal canal into a Federal service area. The State of California, separate and apart from the Federal Government, through its own pumps will pump water into its own canal and bring that water down to this reservoir, the construction costs of which they share in and pay their full share in cash before it is used. Then from there, in their own canals again, they will bring the water on down into the southern San Joaquin and Los Angeles area. This is completely and totally through a State project.

Mr. COHELAN. But they could not do that without the Federal-supported facility; is that correct?

Mr. SISK. I do not see any particular dependence in that respect. The only thing I want to say to my colleague here is, if we had two reservoir sites—if we had one here and another one here—then the Federal Government could build it in one place and the State could move over and build it in another place, but the thing is that the cost would probably run $50 million to $100 million more if that were done. But neither is dependent upon the other.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ASPINALL. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Ohio [Mr. KIRWAN].

Mr. KIRWAN. Mr. Chairman, I happen to be chairman of the Committee on Appropriations that appropriates for these projects that are reported out by the Committee on Interior and Insular Affairs. I want to congratulate them for reporting out a piece of legislation such as this. It has been my privilege during the time that I have been a Member of the House of Representatives to visit every major project in the United States, starting with the Grand Coulee Dam when it was first being built and then the Hoover Dam and all the rest of them, right on down to the present day. I have seen them all. I have gone over that land, as I did years ago, when the land around Grand Coulee Dam was dry, when the dust from an automobile would be flying up through the air for miles. I remember when I was a youngster working in California, trying to take water down to the city of Los Angeles. That was back in 1910. And that was not water for industrial purposes, but just for drinking purposes. There was just a little village there, and the house that I used to board in had a picket fence around it. That was in downtown Los Angeles. Just think of what Hoover Dam has done for Los Angeles and all the southern counties in the southern part of California. Millions of people left the East and went out there. I have been over those projects. I went there

6 or 7 years ago and I tell you, when I look at the value those dams have given to America, it is amazing. This is the kind of project that builds America and gives a return to the Government and to the people. There may not be much interest in it in dollars and cents, but that interest comes back 100-fold—yes, many, many times to benefit America.

I have stated many times on the floor of the Congress that any dollar that is invested in a sound investment in America, and I am speaking now of Federal investments in such projects as this, will come back 100-fold. When you see all the land out there that this is going to irrigate, you will realize the difference that it is going to make. The difference is the difference between human slaves trying to raise something on the land as it is today, and sitting back and putting the water down to irrigate the land. That is the big difference. You will be stopping Americans from slaving out there. You will be putting the water in that section of the country to work—water that is now being wasted and going down to the Pacific Ocean. That is the difference. Think of the benefits that will come back to every one of us. The head of the Reclamation Department told me that there has been only one dam or one project in the United States that has failed to pay out. What a record that is. That is the best record I ever heard tell of in any business. You hear people talking about big business and small business, but in this reclamation project business, only one project has failed since the day that Theodore Roosevelt, that great President, put the reclamation law into effect back in 1902. I mean that sincerely. I know the day will come when the people who will go out there, even if it is only for a visit, will see one of the greatest sights not only in all of America, but one of the greatest sights on earth where this project will irrigate 400,000 acres of land, which today is all sand and dry.

I am asking you today if you ever cast a vote for a project, cast it for this one, and tell your colleagues that this is one of the best that will ever be built in this country.

Mr. HOSMER. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa [Mr. JENSEN].

Mr. JENSEN. Mr. Chairman, like the gentleman from Ohio [Mr. KIRWAN], I have been a member of the committee that has appropriated for every bill that has been brought out by the Interior and Insular Affairs Committee and authorized by Congress for the past 18 years. I have been quite liberal as a conservative in voting for and supporting most similar irrigation projects as this one. I took the position long ago, after visiting all the big projects in America, in the 17 Western States, with all the dust and waste that was going on there because of the lack of water, that I would do my best to see to it that not one drop of this precious water, called "liquid gold" would be wasted away to the sea if it could be properly and beneficially used. Of course I have had some misgivings about some of these projects. I could support this project, which I am going to, with a clearer conscience, had it not been for the fact that the Interior and Insular Affairs Committee voted last year to have the Government build the Trinity River powerplant at a cost of $60 million of all the taxpayers money. Had the Pacific Gas & Light Co. built that powerplant, which they were ready, willing, and able to do, and to furnish power at a reasonable rate, which we all know that they do, they would have paid into the Federal Treasury in the next 50 years over $100 million in Federal taxes from power revenues from that Trinity powerplant alone. Thus over $160 million would have been saved to the taxpayers of America. That would have gone a long way in paying for this San Luis project.

There was another thing that I did not appreciate a bit. About the last thing Secretary Chapman did before he left office was to sign a contract with the city of Sacramento which provided that they should get about three-fifths of the power from the Shasta Dam at postage stamp rates, taking that power away from the farmers and other people in the valley who had just as much claim to that cheap power as did the city of Sacramento, just to mention a couple of the things that are distasteful to me and many others in this big program.

It is things like that that we members of the Appropriations Committee must take into consideration when we appropriate these vast sums of money for these irrigation and multipurpose projects.

I know the San Luis project will bring great benefits to that area. I also know that over a period of years the revenues which will come into the local, State, and Federal Governments are going to be enormous, because of the increased prosperity in that area.

But, as I said before, I do not like the idea that we build powerplants with the money of American taxpayers instead of permitting private industry to build those plants wherever it is proper and feasible for that to be done and to pay great sums into the Federal Treasury from which we can appropriate to build our schools, take care of the veterans, the old people, and the thousand other things we have to do. These private utilities pay into the Federal Treasury every year over $1 billion in Federal revenues, and in addition they pay over $1 billion in State and local taxes annually. Let us not kick them in the teeth; let us give them the fair treatment they and all free private taxpaying industry deserve, which includes every farmer in America. The Pacific Gas & Electric Co. is one of the best, most honest, privately owned corporations in America. No one has ever accused them of overcharging their customers.

I have been all over the San Luis project; I have zigzagged back and forth the full length of the Central Valley, in the State of California, and in all the Western States. I apologize to no one for the position I have taken and for the support I have given to those great projects which have done so much for the western people and are paying out and we must thank the American people who have loaned the money without too much complaint to develop that great desert area of the West.

Mr. HOSMER. Mr. Chairman, I yield such time as he may desire to the gentleman from Iowa [Mr. KYL].

Mr. KYL. Mr. Chairman, I hope my colleagues will pardon my taking a moment to direct a comment to the Chairman of the Interior Committee, the gentleman from Colorado [Mr. ASPINALL]. I am the youngest member of his committee, coming here in midsession; and I want to thank this gentleman, on the record, for the help and assistance he has given to me as he always gives full consideration and help to all members of the committee. He even helped me resist the temptation to avoid the daily sessions of the committee. Mr. Chairman, I thank you and congratulate you.

Mr. ASPINALL. Mr. Chairman, I thank the gentleman for his kind remarks.

Mr. HOSMER. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. GUBSER].

Mr. GUBSER. Mr. Chairman, I rise in support of the San Luis project. I wish to commend the chairman of the committee, the gentleman from Colorado [Mr. ASPINALL] and the author of the bill, my colleague, the gentleman from California [Mr. SISK] for their fine and clear presentations on this project. Perhaps at the risk of trying to gild the lily, I shall attempt to explain it in my own manner by using a little different approach.

Let us assume for a moment that the Republican National Committee and the Democratic National Committee both wish to build new headquarters close to the Capitol here in Washington, D.C. It is estimated that each needs two floors, but there is only one available site close to the Capitol. So the Republican Committee and the Democratic Committee get together and say: "It is foolish to seek out two expensive sites; let us build a four-story building on this one lot and then two floors of it will go to the Democratic Committee and two floors to the Republican Committee and we will make our own rules about how we will use our own two floors. We will each get water from a common reservoir maintained by the city of Washington, but we will each be on a meter that measures the water consumed and we will pay for this water. However, we will use it as we see fit."

Mr. Chairman, that simile may seem farfetched, but that is exactly what the proposition is. There is only one lot or one reservoir site available, and that is the San Luis site.

We are proposing that the State of California build a capacity of 1 million acre-feet with its money and the Federal Government build its capacity of 1 million acre-feet with its money. Then we will each make our own rules and regulations about what we do with the water stored with our own money. It is not at all unlike having one barrel in which two people store water. The water in the barrel is intermingled and you cannot identify each separate atom.

But water is water. If you put in 5 gallons you take out 5 gallons. It is just that simple.

Mr. COHELAN. Mr. Chairman, will the gentleman yield?

Mr. GUBSER. I yield to the gentleman from California.

Mr. COHELAN. As the gentleman knows, I strongly support this project, but I have some question about certain details that will emerge as time goes on. Title 43, United States Code, section 523, reads:

> Water impounded, stored or carried in Federal reclamation facilities shall be subject to Federal reclamation law.

Would the gentleman like to comment on this code section?

Mr. GUBSER. May I point out to the gentleman that the law he reads concerns Federal reclamation facilities which are built 100 percent by the Federal Government. This is a joint facility and not built 100 percent by the Federal Government.

Mr. COHELAN. May I ask the gentleman, Does the Federal reclamation law contain any language at all excluding any part of such waters because a State shares in some part or in the construction of a Federal reclamation project?

Mr. GUBSER. The gentleman should present that question some time later to the experts on the Committee on Interior and Insular Affairs. I am quite confident that at no time has it ever been held that the law of one government must apply to a portion of a project which is built with funds of a State or local government.

Mr. HOSMER. Mr. Chairman, will the gentleman yield?

Mr. GUBSER. I yield to the gentleman from California.

Mr. HOSMER. I think the simple answer to the gentleman's question is that this is two separate projects coexisting in the same identical space.

Mr. GUBSER. The gentleman is right.

Mr. YOUNGER. Mr. Chairman, will the gentleman yield?

Mr. GUBSER. I yield to the gentleman from California.

Mr. YOUNGER. The question that my colleague raises is the reason why section 7 must remain in the bill.

Mr. GUBSER. Mr. Chairman, I would like to point out one other advantage of this project which I do not think has been mentioned and probably will not be mentioned. Once the San Luis project is completed, we are not restricted to serving only the area which has been described here today as the San Luis project, because we will have an investment with which we can extend the service to other areas of California which are badly in need of water. I refer specifically to what is called the central coast area. This area includes Santa Clara County, the sixth ranking county in the Nation as far as agricultural production is concerned. It includes San Benito County, it includes Santa Cruz County, and Monterey County—all rich agricultural areas.

This Congress has already appropriated $220,000 to match $220,000 of local funds to determine the feasibility of pushing a tunnel through the mountains at the back of the proposed San Luis Reservoir in order to serve this area.

Mr. Chairman, this is an area which has conserved every drop of water natural to the area by its own initiative. This is an area which, in certain parts, has taxed itself $3.80 per $100 of assessed valuation to conserve water. It is an area which grows apricots, prunes, row crops, berries, and various other specialty crops. This is an area which is cut off from the main source of water by a mountain range. It must have supplemental water if it is to survive. The construction of this project will bring Federal water 100 miles closer at an elevation 100 feet higher, making it feasible to extend service to this great water-deficient area.

Mr. Chairman, we in California are very grateful to this Congress because you have helped us in solving a terrific problem. We have a fabulous increase in population. We have a peculiar topographical situation where the water is at one end and the people at the other. We are grateful to you for all you have done in solving our problem and in absorbing that fabulous increase in population. We ask you once more to help us by passing this San Luis bill.

Mr. ASPINALL. Mr. Chairman, I yield 5 minutes to the gentleman from Oregon [Mr. ULLMAN].

Mr. ULLMAN. Mr. Chairman, let me state at the outset that the San Luis project is a good project and that I support its authorization. The need for San Luis has been clearly demonstrated and its feasibility has been substantiated. The bill before us is the result of extended negotiations and is based on our committee's consideration of the problem over a period of not just weeks or months, but of years. This proposal is a sound compromise stemming from the earlier differing approaches to the situation. It provides for an agreement between the Federal Government and the State for joint use as a first alternative, but provides at the same time that the project shall proceed on an all-Federal basis in the event that agreement on joint-use cannot be reached within a specified time.

In short, Mr. Chairman, except for one section this is an excellent bill. That one exception is section 7, which I believe is unnecessary, unwise and unsound and which I strongly urge be eliminated from the bill. At the appropriate time I will offer an amendment to accomplish that purpose.

Why must we delete section 7? The answer to that question must be seen in the context of four aspects of the San Luis proposal before us.

First, the bill authorizes a joint-venture of State and Federal Government. This is made necessary by the fact that the San Luis reservoir site is the only adequate and feasible storage site in the area. For this reason the proposal is to construct, either initially or by subsequent enlargement, facilities sufficient to serve both the recognized Federal needs and those additional needs which the State proposed to meet.

Second, as a part of this joint-venture aspect, there will be a commingling of project facilities and storage supplies. This gives the project a character which is, I believe, unique and which represents a new approach to reclamation development. Third, and of utmost importance, is the fact that the details of joint-use arrangements are not spelled out in the bill before us. They are, of necessity, left to negotiation. The fact that we are moving here into a new area of approach to reclamation problems and that the details of the probable arrangement are to be worked out later in negotiations should alert all of us to the imperative need to move with extreme care—care that we do not in any way undermine Federal interests or the basic concepts of Federal reclamation law.

This concern is given a specific character when we consider the fourth aspect of the situation—the challenge to the traditional 160-acre limitation in Federal reclamation law. The 1956 data show that, of the 1.4 million acres in the San Luis Valley, including the proposed Federal service area and surrounding areas, over 64 percent of the land is held by owners with more than 1,000 acres each. The largest of these, the Southern Pacific Railroad, accounts for 10 percent of the total and the second-largest owner, the Standard Oil Co., accounts for another 7 percent. A similar pattern is to be found in Kern County including possible areas of irrigation service south of the Federal service area. Here, of 1.1 million acres of land, we again find that 64 percent is accounted for by owners of more than 1,000 acres each. The largest owner, the Kern County Land Co., accounts for 16 percent of the total and the various oil companies with large holdings account for another 15 percent.

Mr. Chairman, I do not need to belabor the point. The basic question is whether or not the 160-acre limitation and other such Federal guideposts of reclamation law shall follow Federal investment. This being the basic question, I think all of us would agree that it should be answered either by the courts or by the Congress considering it on its own merits. I submit that section 7 adheres to neither of these approaches, and that for this reason it must be deleted. It does not consider the question on its merits, as is abundantly clear both from the report of the committee on the bill and from the arguments of those who support its retention. But, at the same time, it clearly implies an answer to the question which may be regarded as binding by the courts. This is not the proper way of either changing fundamental reclamation law or of expressing our opinion as to the intent of such fundamental law.

Section 7 may not in any way alter reclamation law as some suggest. The majority of the committee takes the position that this is the case. Then it is redundancy and should be eliminated.

On the other hand, because of the indefinite nature of Federal-State relations contemplated by this bill—which, as I have pointed out, represents a new approach to reclamation—section 7, if

left in the bill, may very well alter directly fundamental reclamation law and abrogate the 160-acre limitation in its legal application. Because of that very distinct and dangerous possibility, this section must be deleted from the bill.

Section 7 is not necessary to the bill. The measure is complete without it.

I ask the opponents of my amendment this question: Is the retention of section 7 necessary to insure that Federal reclamation law will not extend to the so-called State service area? If they answer "No," then they are saying, as some of them do say, that existing law already provides this assurance and they can have no objection to deletion of this admittedly unnecessary action. If they answer "Yes," then they are saying, in effect, "we are not sure whether or not existing law would extend to the State service area and we want to insure that it doesn't." If that is their answer, they are clearly asking that we take a position on a question of fundamental Federal reclamation law—a position either expressing our intent as to its interpretation or altering it—and I repeat that such an action by this body should only be carried out through a specific measure in its own right, with all the due consideration and hearings that such a measure must receive.

I ask the Members of this body to protect the 160-acre limitation by supporting my amendment, then to support this project which will add so greatly to the conservation and use of the water resources of our Nation.

Mr. Chairman, I want to commend the very able gentleman from California for his untiring efforts on behalf of the San Luis project. And, I want to say here that that is a very excellent example of the type of development that has built America, as the gentleman from Ohio [Mr. KIRWAN] has so ably told us a few minutes ago. This is a feasible project. It is a good project. It has been beset with many difficulties over a number of years because of the fact that involved here is not only Federal reclamation but a State water plan. So, we have had a compromise solution worked out in this bill before us today.

Generally speaking, it is a good solution. We are launching out in some respects in a new direction, an untried direction, but I think it is a sound one and the American way to get the job done.

I am concerned about one section of this bill, as many of my colleagues are, and at the proper time I plan to offer an amendment. It will be a very simple amendment to strike out section 7 of the bill. Section 7 is a very short section. It reads:

> The provision of the Federal reclamation laws shall not be applicable to water deliveries or to the use of drainage facilities serving lands under contract with the State to receive a water supply, outside of the Federal San Luis unit service area described in the report of the Department of the Interior entitled "San Luis Unit, Central Valley Project," dated December 17, 1956.

The reason that I oppose this section so strongly—and I do strongly oppose it, as do many of my colleagues to the extent that if section 7 is left in the bill we may have to vote against the project. I urge all of you who are sincere believers in this great development to join in eliminating this section.

Mr. YOUNGER. Mr. Chairman, will the gentleman yield?

Mr. ULLMAN. I yield to the gentleman from California.

Mr. YOUNGER. If, as the chairman of the committee states, it makes no difference whether section 7 is in or out, why, if it is left in, would you vote against the bill?

Mr. ULLMAN. Of course, there is a difference of opinion on this point. The committee takes the position that it makes no difference. Therefore I say why not take it out? Under those circumstances it is completely redundant. There were days of debate over in the other body on this same issue. You can read the RECORD. The other body took out this section. The feeling is so strong over there that if you really want a bill, you will be wise to accept the amendment.

Mr. YOUNGER. Mr. Chairman, if the gentleman will yield further, if it is redundant and you are in favor of the bill, why would you vote against the bill with something that is redundant in it?

Mr. ULLMAN. The proponents of section 7 take that position. I do not happen to agree. My position is that it does make a difference, that if section 7 remains in the bill, there is every likelihood that what we are doing is changing our basic reclamation law. What I am talking about is the 160-acre limitation. I think you all believe in this principle of spreading benefits to the small landowners and keeping the large operators from getting undue enrichment from our Federal investment. This is basic. I think most of my colleagues acknowledge that the taxpayers, who have through the years supported reclamation, depend upon us to make sure that this basic principle is safeguarded.

Mr. COHELAN. Mr. Chairman, will the gentleman yield?

Mr. ULLMAN. I yield to the gentleman from California.

Mr. COHELAN. On this question of whether it does or does not make any difference, and with all due respect to those who contend otherwise, I am wondering if the gentleman is aware that the Feather River Association on February 12 of this year passed a resolution demanding that if the Congress declined to delete section 7, the State of California should be asked to build San Luis in order to avoid the 160-acre limitation. Somebody obviously feels that this is important. In other words the position is taken just the other way around. The bill is threatened if section 7 does not remain in. This makes me very suspicious, and I am sure the gentleman will agree with me.

Mr. ULLMAN. This is true; a great issue has been made over this section 7. There are many people who cannot support the project if section 7 remains. I say delete section 7. What we seek is to have basic reclamation law apply. We want Federal benefits to follow our Federal investment.

Mr. HAGEN. Mr. Chairman, will the gentleman yield?

Mr. ULLMAN. I yield to the gentleman.

Mr. HAGEN. This may be a privileged matter; I think it occurred in the committee at the time of executive consideration of the bill and if the gentleman does not feel it is privileged I should appreciate his answer. Is it not true that in the committee the gentleman from Pennsylvania [Mr. SAYLOR] offered an amendment which would have spelled out the fact that Federal reclamation law did apply to the State project under these circumstances? As I understand, the gentleman was opposed to that amendment; I would like to know why.

Mr. ULLMAN. This is true. In other words, there are some who take the position that all of the water in this joint facility should be under the 160-acre limitation. I take the position that that portion of the water that comes from the Federal investment should be definitely under the 160-acre limitation. What I want to do is to preserve that basic principle. I believe that basic principle will be abrogated with section 7 in the bill and that there is a good likelihood that the benefits from this Federal project will go onto lands without the proper 160-acre limitation.

Mr. HAGEN. One more question, if I may. It is the gentleman's position, then, in offering his amendment, which he will do tomorrow, I assume, to strike section 7; and it is not his intention that water produced with State funds, let us say, shall be subject to the Federal reclamation law?

Mr. ULLMAN. My intention is that existing Federal reclamation law should apply to that portion of the water resulting from Federal investment. On that basis I feel sure that the Members of the House can and will support the amendment. It is certainly a reasonable position. It is a sound position. It is one that I know the taxpayers of America would support because they do not want to take the chance that part of their investment would go to provide water to unduly enrich large landholders beyond the 160-acre limitation principle.

Mr. HOSMER. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, in 1542 Juan Rodriguez Cabrillo put into San Diego Bay, went ashore and found the San Diego River which he wanted to use to wash his beard in, but he could find no water in it. California has been having water problems ever since that time.

The people who came out to California in the early days before Federal reclamation was ever heard of got busy and built many of their own projects; and as the gentleman from California [Mr. SISK] indicated, over half of the State's farmlands are supplied by local private projects or public non-Federal projects. Then there came along the developments and increasing State population of the 20th century. San Francisco had to go all the way over to Hetch-Hetchy, which is somewhere in the vicinity of Yosemite Valley, in this portion of the State of California, all that distance, for its water. They have put a pipe across, and

take it from there to San Francisco many, many miles away.

The great city of Los Angeles, had to go up in the hills to another location, many miles away, and install a vastly imaginative water project the like of which the world had never before seen. It brought water down to supply that portion of the State's growing population and industry and turn this essentially desert property into the oasis it is today.

Further down in the State we had to augment the water supply for the coastal plain around San Diego and for the great Imperial Valley by the works along the Colorado River, Hoover Dam, Parker Dam, and so forth.

It is a magnificent tribute to the imagination of the men who conceived these projects and the ability of the men who executed them, and financed them, incidentally, that this great State exists as it does today.

I brought this different map, a molded relief map, out here because it shows the actual mountain ranges that hinder the movement of the water in this State. It illustrates why this San Luis project is needed.

In the southern part of the State the problem is chiefly the lack of water. In the far northern part of the State the problem is a superabundance of water and flooding. In the central portion of the State by San Francisco and below Sacramento, the so-called delta area, the water problem is the contamination of the water by boron and things like that. The gentleman from California [Mr. BALDWIN] is going to introduce an amendment, which I think nobody objects to, to protect the water purity in that area. He is always zealous in the protection of the interests of his constituency.

In the Santa Clara Valley area, which is ably represented by the gentleman from California [Mr. GUBSER] who spoke a moment ago, there is a water problem. Essentially what he wants is to take this same San Luis Reservoir and dig a hole in the back of it, the Pacheco Tunnel, to get some water down to his vital area, too. So you can see that all up and down the State we have problems. They are not the same problems at all. They are at variance, and their solution essentially, to some extent, involves an invasion of what the other man wants to do. That is, give and take is necessary.

In short, the problem of water in California is like a can of worms. It has been even more complicated by a recent recommendation of a master in the suit between Arizona and California that a good deal more water go to Arizona than had previously been anticipated. It is a problem that has placed upon the people of California for generations an awareness of the necessity and the will and the compelling reasons to do something about it.

The vast projects I have mentioned are only the beginning. If the State is to be able to progress and be able to live in the future, more and additional water projects are necessary.

I want to make sure this is understood: The San Luis project the gentleman from California [Mr. SISK] is talking about is a project that will irrigate some half million acres in roughly the portion of the San Joaquin Valley around Fresno. As he explains, the San Joaquin River runs north, the Sacramento River runs south; they meet in the delta area. Other rivers come down off the hills to join them along their courses. The coastal mountains separate the valley from the coastal area. The project of which the gentleman from California [Mr. SISK] speaks is in the middle of the San Joaquin Valley. If the State itself is going to solve its water problems in a cooperative way by taking the excess water from the north and taking it south, it has to follow some route that roughly traverses the length of this San Joaquin Valley.

Now you cannot go down the middle of the valley, naturally, because the flow is in the wrong direction. You have to move it in canals along these hills here after you pump water up from the Delta area at the Tracy Pumping Station. Since the water from the north is produced in the winter, it has to be stored so that the arid south can use it in the summer. That is where the San Luis Reservoir site comes in, so far as the State of California north-to-south water plan is concerned. It is something related to, but not the project that the gentleman from California [Mr. SISK] wants to use to irrigate this half million acres. That San Luis reservoir site happens to be, according to the geographical facts of life in California, the only site where a reservoir can be built. So you see we have two different forces here wanting to use this reservoir site. We have the State of California with its north-to-south water plan and then we have the people who want this Federal San Luis project to irrigate these acres around Fresno in the San Joaquin Valley. Of course, the only sensible thing to do is to get together. Well, we tried a lot of different ways to get together. This project has many years of history behind it, and with all these various groups fighting back and forth there, it was a very, very difficult thing to get them together. In the beginning, most of the groups in California insisted that the Federal Government was not going to have anything to do with this reservoir here. The southern group said: "Gee, when you get the Bureau of Reclamation mixed up in this thing, the first thing you know some bureaucrat hidden in Washington will turn the valves and you will not get any water at all. Not only that, in the first place you have to go down to Washington and beg the Congress to give you some money for a project. We ought to do it at home, take care of it ourselves and keep the Federal Government out of this."

But, some second thoughts occurred which were: "Poor Mr. SISK over there—if you keep the Federal Government out, altogether, he is not going to have his people taken care of. After all, it is one State and why do we not all get together on it?"

Well, the first attempt at getting together was the idea to have the State to build this project, have the Federal Government put up some of the money and work out mutual cooperation that way, to let Mr. SISK get his water from the San Luis area and have the rest of it move to Kern County and further south in an all State project. Then, the State will keep control of it and we will not have the Bureau of Reclamation back in Washington chopping off the water. Finally, we got around to where we said, "Well, that is probably not the way to do it or to go about it. They want to do some integrating of the Federal San Luis project with this Federal Central Valley project and there are a lot of other factors that might make it better if the Federal Government did it jointly with the State." Out of that came the bill before you today.

In other words, we have one reservoir site here and two people wanting to use it. We settled and got together on building a joint reservoir. Mr. SISK's project, the San Luis project has need for about 1 million acre-feet of storage capacity and in order to handle the State north-to-south water plan, it needs roughly another 1,100,000 more acre-feet of storage capacity. So we said, let us build a dam that will store 2,100,000 acre-feet and we can both use it and we will share our costs. Now the State will pump its water in there when it can get it during the rainy season, store it, and then it will pump its water out in the dry season when it is needed. The Federal Government will take its water and pump it in there in the wet season and it will take the Federal Government water up and pump it down into Mr. SISK's project when it is needed there. Well, that is reasonable. The only thing is you cannot take every drop of water and say—this is water that the Federal people put in and this is water that the State people put in, and that you have to take that same exact drop of water out. That is foolishness. Of course, we have in the law a doctrine known as the doctrine of fungible goods.

These great grain storage places all over the Middle West are full of many people's grain. They store it in there, but they do not get the same grain out that they put in. They get a chit that says, "You have so many bushels of grain here, and when you come in you can get that same amount of that same kind of grain out, but we are not going to mark all of this grain with your name on it."

The same is true with water. As a consequence, a few moments ago I made the remark that this is essentially two separate projects, coexisting at one and the same place. Because of the unidentifiable nature of each and every molecule of water, what I say is borne out.

Mr. JONAS. Mr. Chairman, will the gentleman yield?

Mr. HOSMER. I yield.

Mr. JONAS. What does the State do with the water it is bringing down from the north?

Mr. HOSMER. It is not bringing any down now. This is a project on which the State is voting on issuing bonds at the present time.

Mr. JONAS. It is not using the canal so far?

Mr. HOSMER. No. There is a Federal canal in here already.

Mr. ASPINALL. Mr. Chairman, will the gentleman yield?

Mr. HOSMER. I yield.

Mr. ASPINALL. All we are trying to do at this time is to insure necessary right-of-way along the river.

Mr. HOSMER. Yes. As a matter of fact, the State has been spending several million dollars to acquire right-of-way for the San Luis Reservoir site itself. That money is being put up by the State as part of its share of the joint project. I have tried to make that clear but I see some of the Members have a rather quizzical look on their faces. Let me reiterate: These are two separate projects. There is a State project and there is a Federal project. What the bill does is to put up the money for the Federal project and authorizes the Secretary of the Interior to enter into a contract with the State of California for the joint enjoyment of this reservoir space and certain other necessary accouterments so that it can be used by both, with the costs being shared equitably by each.

This brings me down to section 7 about which we have a certain amount of argument. Generally, I am in favor of the 160-acre limitation. My heart does not bleed any time anybody criticizes it, but I think it has been a generally good thing for the country. I also recognize that where you have a State project, that is something else, and that you cannot and should not attempt to impose a Federal law on a State project that just because it is occupying the same space with the Federal project. By no stretch of the imagination is there any reason why it should, just because as independent projects, they happen to be occupying the same space for which they have both paid their separate independent amounts of money. There is no reason for it, in my mind.

I fully agree with the report of this committee, which says that section 7 is surplusage, that without it you could take a case to court and get a decision that says, "Of course, Federal reclamation law does not apply to the State project." The 160-acre limitation cannot apply to this project by any type of legal gymnastics even without section 7.

Then, why am I up here saying that I want to keep section 7 in? For this reason: This State project is going to require better than a billion dollars for just this San Luis phase including distribution systems. The entire Statewide water plan is going to require $5 billion out of the taxpayers of the State of California before it is through. What section 7 does and why it is necessary is illustrated take for instance the argument between the gentleman from Oregon [Mr. ULLMAN], and the gentleman from California [Mr. YOUNGER]. It removes the possibility of such arguments by clean and distinct language. It assures the matter stay out of litigation which could last for 20 years. Why spell it out now and keep it out of court? While the cases are in court you cannot go out and get a bonding house to float bonds. They cannot float them while litigation is pending. In California we cannot wait 20 years for the water while this thing is in court. Section 7 makes sure to begin with it never goes to court and allows us to proceed with our vitally needed State water project. We in the State of California are only asking to be kept free of litigation so we can proceed to spend our own money on the State North-South project needed to take care of our own people. That is all we want to do.

Another thing in reference to my people down here in southern California: this water from San Luis has to come down a long canal and over what we call the Tehachapi Ridge. It has to go up a long way over the mountains and come down a long way to get to Los Angeles and the Long Beach area, and on down the plain to San Diego and the rest of these places. It is going to be costly to put the works in to do this.

A little south is another area in south end of the San Joaquin that also wants some of this water. That is Kern County, an area represented by the gentleman from California [Mr. HAGEN]. Those people want to take part in the water plan but they do not want any part of the 160-acre limitation; they do not want to be faced with lawsuits, do not want to have to fool around with a lot of nonsense from the Federal Government but they are willing to submit to such limitations and control as may be imposed by the State of California. In fact, Governor Brown said he was going to put some kind of acreage limitation on them. But, from Sacramento, the State capital, the place where it should be done as regards to the State's project which it pays for itself.

What about this hassle over section 7 in connection with Mr. HAGEN's people? If that is out of the bill they will do just as they have done for a hundred years, keep pumping water and just tell everybody else to go take a walk. What does that mean to my people in Los Angeles? It simply means that the size of the water conduits along the valley and over the mountains from the San Luis Reservoir to Los Angeles will need to be only half as big, but it will still cost 90 percent of what it would to build it of sufficient size also to supply Mr. HAGEN's people. Thus the cost of this water to my people would be greatly increased if the Kern County people take a walk on the project. It would cost my people almost twice as much as it would to get water in cooperation with Kern County projects. That is what these opponents of section 7 are going to do to us if they succeed in taking this section out of the bill. It is going to make it difficult, and probably impossible, to float bonds; it is going to make it more costly to get water to my people; it is going to delay unmercifully getting the water to them.

Incidentally, let me assure anybody from the agricultural States that what it is proposed to do here for my area by the State project will not bring any vast new areas into agricultural production. In practical effect, what water we used on flora would not be much more than for a few good-sized window boxes containing flowers. It is going to supply our factories with the water that is needed; it is going to go to supply the California workers' homes with the water they need; and unless we can get it down there at a not unreasonable cost, what an imposition that is going to be on 7 million American citizens who happen to live in southern California. That is the reason why we want this section kept in the bill. Take section 7 out and it is not going to impose a 160-acre limitation on Congressman HAGEN's people. The only thing it is going to do is to cause my people to spend a lot more money to get this water, go through a lot of lawsuits to get it, and go thirsty for a long while waiting for it. Keep section 7 in the bill. That is all we are asking you to do; it is just that simple. It is direct, I think it is understandable. I am not going to try to persuade you about the merits of Mr. SISK's agricultural phase of the project. I will merely say that this is probably one of the best reclamation projects Congress has ever had a chance to vote on. Some of you are for reclamation, some of you are against reclamation. The President would like to have this bill; the Vice President would like to have the bill; and the people of California would. And, I am speaking about the bill as now written, without deletions. It has been explained that the cost will eventually be paid back and return a good dividend to the country overall. I am not going to try to persuade you about that. All I am pleading with you to do is after we have contended with this can of worms in California, after years and years of labor and finally gone out and got all these diverse water districts and groups together on a bill they could finally agree upon after all these years, please do not louse it up here, because we have problems enough without anything like that happening.

Now I yield to the gentleman from Oregon.

Mr. ULLMAN. I thank the gentleman. First, does the gentleman think he can get this bill through the other body if he keeps in the bill this controversial section 7?

Mr. HOSMER. Let me say this, I do not think this body which is an independent part of the legislative branch of the Government, should grovel itself around to try to figure out what the other body might do. Let us face this problem when it comes up, and if there is any giving to be done I think it is about time that the giving was done on the other side of the Capitol instead of this.

Mr. ULLMAN. The gentleman said it was surplusage. It seems to me if it is surplusage it would be little to give in return for getting a bill through this House and through the other body and making sure that you have a project.

Mr. HOSMER. It is surplusage insofar as this bill is concerned, but it is not surplusage insofar as its actual, practical effect upon my part of the country is concerned and in the financing, the operation and the speed with which we can carry out our State project.

Mr. LIPSCOMB. Mr. Chairman, will the gentleman yield?

Mr. HOSMER. I yield to the gentleman from California.

Mr. LIPSCOMB. It appears to me from reading this very excellent report by the Committee on the Interior and Insular Affairs that that committee gave this subject a great deal of thought and by their thinking about this and working on it they decided to put section 7 in the bill.

Mr. HOSMER. That is right. Lots of thought was given to the matter, years of thought, and this is the way we were finally able to come out with the people involved behind the project.

Mr. BURDICK. Mr. Chairman, will the gentleman yield?

Mr. HOSMER. I yield to the gentleman from North Dakota.

Mr. BURDICK. I may say that I rise as a friend of the project, but I, too, am concerned about section 7. Is it correct to state that the gentleman does not desire by this legislation to amend the basic reclamation law?

Mr. HOSMER. No. There is no intent, there is no desire, there is no possible way to do it. Read section 7 as the gentleman from Oregon [Mr. ULLMAN] did a little while ago. At that time I thought, in my own mind, how can this gentleman possibly have in his mind that this is any attempt to alter general reclamation law? All it says is that the State portion of the project is not going to be subject to anything but State law, and the other portions of the bill say the Federal parts of the project are going to be subject to Federal law, which is as it should be. Does the gentleman disagree with that States rights proposition?

That is a part of the traditional way we set up our Constitution.

Mr. BURDICK. One more question.

Mr. HOSMER. I have one, too, but it is not answered.

Mr. BURDICK. On page 3, lines 1 to 4, it specifically defines that this project should be under the application of the Federal reclamation law. In the report on page 15 it is stated:

> Its deletion from the bill would have no substantive effect on the law applicable to the San Luis undertaking.

I submit to the gentleman that by adding section 7, rather than getting away from legal difficulties you will have conflicting legal difficulties.

Mr. HOSMER. I doubt that very much. The gentleman must not have heard my answer to the gentleman from Oregon a moment ago. I explained it fully. I was talking about legal difficulties in California with respect to floating bonds, for instance, that would result from this action to delete. If we do not settle it on the floor of Congress the State may have to take 20 years to settle it in the Supreme Court of the United States.

Mr. COHELAN. Mr. Chairman, will the gentleman yield?

Mr. HOSMER. I yield to the gentleman from California.

Mr. COHELAN. Is the gentleman aware of the fact that section 7 is probably in direct conflict right now with a recent ruling of the supreme court of California?

Mr. HOSMER. I am not aware of that, and I do not believe it is true.

Mr. COHELAN. If I might proceed, the State supreme court, I would remind the gentleman, in a decision dated April 29 of this year, stated that the 160-acre limitation is in fact State policy as well as Federal law by action of the State legislature. It goes on to point out:

> The Federal Congress by the passage of section 5 of the Reclamation Act has determined, lawfully, that the 160-acre limitation is a basic part of Federal policy. The State legislature has adopted this concept as State policy by specifically authorizing irrigation projects to enter into contracts for project waters that contain the 160-acre limitation.

That is water code—section 23195—53 AC 718.

Mr. HOSMER. That is dandy, because the gentleman has just made my point for me. Since he is interested in the 160-acre limitation, and since the State has accomplished it on State projects already, why does he not just quietly say nothing about taking section 7 out, and rely on the State law and the State supreme court decision, which he has just referred to? Everything is taken care of, and I thank the gentleman.

Mr. SMITH of California. Mr. Chairman, will the gentleman yield?

Mr. HOSMER. I yield to the gentleman from California.

Mr. SMITH of California. I would like to commend the gentleman from California for the tremendous amount of time and effort he has devoted to this project over the years and on the very fine statement he has made here today. May I take this opportunity to associate myself with the gentleman's remarks.

Mr. HOSMER. I thank the gentleman. For the purpose of the legislative record and history I have obtained permission to include here the following portions of the committee report which deal with applicability of Federal law to the Federal project and section 7 to the State project:

OPERATION UNDER FEDERAL RECLAMATION LAW

Judged in accordance with Federal reclamation law, about 325,000 acres of the 480,000 acres in the Federal San Luis service area—that is, the area within the Westlands, Panoche and San Luis Water Districts—are in large ownerships that will have to be divided into smaller ownerships. The owners of these large holdings are fully aware of the requirements of the antispeculation and excess land provisions of reclamation law, and the committee was advised that, with the exception of the Southern Pacific Co., they are willing to sign recordable contracts, in compliance with reclamation law, agreeing to dispose of their excess acreage. The Panoche and San Luis districts have already signed contracts with the Department calling for compliance with the excess land provisions. The Southern Pacific Co. owns about 58,000 acres within the San Luis service area as defined above, all of which is in the Westlands Water District. A representative of the Southern Pacific Co., appearing before the committee, stated that the company was not interested in selling its lands. At the same time, he stated that in the event of operation of the San Luis project under reclamation law the company would be willing to sit down with the district and the Bureau of Reclamation and explore the possibilities of obtaining water for company lands. The committee understands that the feasibility of the project does not depend upon furnishing water to the Southern Pacific Co. lands, and that the Westlands district will take all the water it can get regardless of whether it serves the company lands. If the company lands are not served, it would enable the district to pump less from underground. The district has the power to tax the company lands even if they take no project water.

The committee certainly recognizes the problems raised by the land ownership situation in the San Luis service area. During the committee's consideration of this legislation, concern was expressed by many individuals and groups lest the large landowners in the San Luis service area might, in some way, be exempt from the land limitation provisions of the Federal reclamation laws. For instance, the committee received this expression from the California Labor Federation:

"This language of the San Luis bills opens the door to unjust enrichment, to monopoly of water resources, and to subsidized giantism in agriculture. * * * We hope that the Congress of the United States will not breach long-established national policy."

The committee gave careful consideration to all the views and comments it received along this line and amended the bill in several respects.

The committee wants to make it unmistakably clear that the legislation it is hereby reporting requires the operation of the Federal San Luis unit under Federal reclamation law, including the excess land provisions thereof, and that there is no way the large landowners in the Federal San Luis service area can avoid compliance with such provisions.

Section 1 of the bill provides that, "In constructing, operating, and maintaining the San Luis unit, the Secretary shall be governed by Federal reclamation laws (act of June 17, 1902 (32 Stat. 388), and acts amendatory thereof or supplementary thereto)." An additional phrase—"except so far as the provisions thereof are inconsistent with this act"—which was formerly appended to this sentence was deleted by the committee. While this phrase obviously related only to provisions set out in the bill and could not be interpreted as exempting the project from other unmentioned provisions of reclamation law, the committee nevertheless removed it in order to allay the fears of those objecting to it and on the basis that the provisions in the bill will speak for themselves and that such deletion will do no harm. The following colloquy illustrates the careful consideration the committee gave to this particular matter, including its consideration of a substitute phrase reading "except as otherwise provided in this act":

"Mr. ROGERS. For a question of counsel: What is referred to by the language 'except as otherwise provided in that act'? In other words, what does the 'otherwise' mean?

"Mr. WITMER. As you will recall, Mr. Chairman, during the hearing substantially the same question was asked of witness after witness. Each one had in mind those things which were particularly pertinent to him * * *. None of the witnesses covered the field fully, however. It seems to me that 'except as herein otherwise provided in this act' covers virtually everything in the bill that follows those words.

"Now, let me illustrate, if I may, sir. If this were authorized in the usual manner to be constructed, operated, and maintained under the Federal reclamation laws, the Secretary could forthwith send up a request for appropriations and, having gotten the appropriations, begin to construct. But the bill, immediately following the words you are considering, lays conditions on such construction.

"One condition: The Secretary has to negotiate with the State. Another condition: Until January 1, 1962, arrives, he cannot proceed without an agreement. Another condition: He must have made some arrangement for drainage works. Another condition: He must specifically have gotten necessary water rights to carry out the purposes of the project. And so on throughout the bill.

"In other words, it seems to me that every provision of the bill from there on is an exception to the general authorization which precedes. If you wanted to go into it more specifically, you could mention, as one of the witnesses did, the authorization for recreation facilities, which are not provided for in general reclamation law. You could mention, as the chairman of the full committee has just mentioned, the provision for joint operation and joint control with the State. If you wanted to be still more specific, you could mention the provision which authorizes the Secretary to turn over the operation and maintenance of the project to the State, for which there is no provision in general reclamation law. And so on.

"Mr. ROGERS. In that particular situation, is it your opinion that the authority of the Secretary to turn over joint use facilities to the State for operation would open the door for exempting the project from the application of the 160-acre limitation?

"Mr. WITMER. My answer, sir, to that is a clear and unequivocal 'No.'

* * * * *

"Mr. ULLMAN. May I ask just one additional question: What is your interpretation of the effect of the amendment offered by the gentleman from California [to strike the language 'except so far as the provisions thereof are inconsistent with this Act'] as against that offered by the gentleman from Colorado [to substitute 'except as otherwise provided in this Act'], for instance, in connection with the operation of the dam? Would the language in the two instances make any difference?

"Mr. WITMER. I think the language will make no difference. The effect of the language will be no different. In other words, may I put it this way, I think the exceptions will speak for themselves as being exceptions."

To avoid any possible misinterpretation on the matter of operation of the Federal San Luis unit service area under Federal reclamation law and in order that there could be no question as to the committee's position that the State should not be allowed to serve lands within the Federal service area the committee adopted several clarifying amendments. It amended section 3(h) of the bill to read as follows:

"(h) notwithstanding transfer of the care, operation and maintenance of any works to the State, as hereinbefore provided, any organization which has theretofore entered into a contract with the United States under the Reclamation Project Act of 1939, and amendments thereto, for a water supply through the works of the San Luis unit, including joint-use facilities, shall continue [to be subject to the same limitations and obligations and] to have and to enjoy the same rights which it would have had under its contract with the United States and the provisions of paragraph (4) of section 1 of the act of July 2, 1956 (70 Stat. 483, 43 U.S.C. 485h–1), in the absence of such transfer, and its enjoyment of such rights shall be without added cost or other detriment arising from such transfer."

Attention is called to the language in black brackets added by the committee.

The committee also (1) added language in section 2 which provides that the additional capacity in the joint-use facilities for State use shall be limited to service outside of the Federal San Luis unit service area and (2) added a subsection to section 3 stating that the State shall not serve any lands in the Federal San Luis service area except as required in connection with its acceptance of the care, operation, and maintenance of the joint-use facilities. In this connection, it is quite clear that if the State takes over the operation and maintenance of the joint-use facilities it will be acting as an agent of the Federal Government under reclamation law, so far as its service to the Federal San Luis service area is concerned. The situation would be no different from that in the many instances in which irrigation districts take over the operation and maintenance of the works serving such districts. The districts are still bound by all the provisions of Federal reclamation law. A portion of the committee's discussion on this particular matter follows:

"Mr. ROGERS. * * * Your answer would indicate, Mr. Witmer, that in the event the Secretary did, under the authority of this act, turn over the operation and maintenance of this project to the State authority, the State authority would then be bound by the 160-acre limitation?

"Mr. WITMER. The State authority would in my judgment, be operating in effect as an agent of the United States, under the laws of the United States. And there would be no waiver of any provisions.

"Mr. ROGERS. And as this bill is written, there is no place in it, in your opinion, where the Secretary himself, if he continued to operate it, would have the power or the authority to waive the 160-acre limitation?

"Mr. WITMER. No, sir.

* * * * *

"Mr. ULLMAN. I would like to ask counsel a question.

"I am rather intrigued by this last statement of yours—that the State of California would be acting as an agent of the Federal Government under the reclamation law. Is that correct?

"Mr. WITMER. In effect, yes.

"Let me give you an analogy. The general reclamation laws provide for turning over operation and maintenance of projects to irrigation districts. That is done every year. In fact, Congress encourages their being taken over. But the districts are still operating for the United States. They are still subject to the control of the United States and the Secretary of the Interior. They are still bound by the excess land laws, by the requirement that water be not delivered if there is nonpayment, etc. You can run down the whole list of requirements. What you are doing is substituting the districts for the Secretary in the operation only. In the case of San Luis it would be the State substituting for the Secretary instead of an irrigation district."

RECLAMATION LAW NOT APPLICABLE TO STATE SERVICE AREAS

Section 7 of the bill provides that the Federal reclamation laws shall not be applicable to areas served by the State of California. Objection was raised in committee to this provision on the ground that it will "exempt" the State-served lands from the acreage limitation provisions of the Federal laws. In accepting section 7, a majority of the committee points out that there is nothing in the reclamation laws which, in the absence of a provision in the bill affirmatively making the land-limitation provisions applicable in the State-served area, would forbid the State from serving whatever lands it chooses on whatever terms it chooses. In other words, mere deletion of section 7 would not accomplish the purpose of those who advocate requiring owners of the State-served lands to observe the limitations which are imposed on those served by the Federal Government. It is, furthermore, the view of the majority that there is no justification for writing an affirmative provision into the bill which would require such observance. Its reasons for this conclusion are these:

(1) It is only by chance that there is any connection between the Federal and State projects. That connection arises from the physical fact that there is one and only one adequate reservoir site in the area and that both the Federal and State Governments need to use this site. If two sites existed, each government would be free to use one of them on its own terms, and the excess lands question as applied to State-served lands would not even have arisen.

Speaking, during committee debate, to the matter of applying Federal law to the State's service area, Mr. HOSMER one of the authors of the legislation, clarified the matter this way:

"So, I ask you gentleman to realize that this particular project we are talking about which the Federal Government would build and the project the State wants to build, are two separate and entirely different projects.

"Of necessity they must occupy the same particular space. But just because in an office building there are several law firms and one of the law firms is representing the plaintiff in a case and another law firm is representing the defendant does not mean they have a conflict of interest because they are operating out of the same building. They are separate enterprises and this is exactly what is occurring here."

(2) The water supply for the State's project will be derived from sources independent of the Federal project's water supply and, except for the joint works, will be handled through an entirely different system of reservoirs, canals, and other works. The Federal impoundment and transportation systems in the Central Valley will, with the construction of the Federal San Luis project, be fully utilized and could not, even if there were inclination to do so, be used to supply the State service area.

(3) The State will, under the terms of the bill, have paid its entire share of the cost of constructing the joint facilities prior to its utilization of them for storage and delivery of water. Even if the State were a customer of the United States—a water right applicant or an irrigation district, for instance—it would not be bound by the acreage limitation provisions under existing law in these circumstances. The committee sees no reason for treating the State, in its capacity as a partner in a joint venture rather than a customer, more onerously than it would a private citizen or an irrigation district.

(4) Insofar as there is a problem of large ownerships in the State-served area, the committee is confident that the Legislature of the State of California can and will enact legislation expressing the public policy of the State and representing the will of the majority of the people of the State. There would be no more justification for the United States, in other words, to decline to enter into this joint venture with the State unless the State makes its land-ownership policy conform to that of the United States than there would be for the State to refuse to enter into the arrangement unless the United States modified its policy to suit that of the State.

In order to make clear the present state of the law and the committee's reasons for believing that no exemption is provided by section 7, the following more complete explanation is offered.

Section 3 of the act of August 9, 1912 (37 Stat. 266, 43 U.S.C. 544) provides, in pertinent part, that "no person shall at any one time or in any manner * * * acquire, own, or hold irrigable land for which entry or water right application shall have been made under the said reclamation act of June 17, 1902, and acts supplementary thereto and amendatory thereof, before final payment in full of all installments of build-

ing and betterment charges shall have been made on account of such land in excess of one farm unit as fixed by the Secretary of the Interior as the limit of area per entry of public land or per single ownership of private land for which a water right may be purchased respectively, nor in any case in excess of one hundred and sixty acres, nor shall water be furnished under said Acts nor a water right sold or recognized for such excess."

During the period when irrigation water contracts were entered into with individuals rather than organized districts, it is thus clear that the law forbade delivery of water to more than one farm unit held by an individual only so long as the entire construction cost allocated to the excess unit had not been fully paid. That the law was so read and applied by the Interior Department is shown in detail in the Bureau of Reclamation's printed publication entitled "Landownership Survey on Federal Reclamation Projects" (1946) and the Interior Department's two-volume document prepared for the Subcommittee on Public Works and Resources of the House Committee on Government Operations entitled "Excess Land Provisions of the Federal Reclamation Laws and the Payment of Charges" (1956).

The same rule has been held to be applicable to irrigation district contracts. Speaking of the relation between the 1912 act and the excess-land provisions of the act of May 25, 1926 (44 Stat. 649, 43 U.S.C. 423e), the Associate Solicitor of the Interior Department advised the Commissioner of Reclamation on October 22, 1947, as follows:

"The specific question is whether the release of the limitation by section 3 of the 1912 act upon 'final payment in full of all installments of building and betterment charges' on account of 'irrigable land for which entry or water-right application shall have been made' can be held to apply to the payment in full of the joint obligation assumed by an irrigation district under a contract entered into as required by section 46 of the 1926 act.

"In construing an ambiguous enactment, it is held proper to consider acts passed at prior and subsequent sessions to which the act does not refer. * * * It seems clear that the various excess-land enactments were intended by Congress to provide a uniform and comprehensive procedure for the implementation of its land-limitation policy.

"Section 46 of the 1926 act, supra, sets out the substance of the provisions required to be incorporated in joint-liability repayment contracts with irrigation districts. That section does not purport to contain all the excess-land provisions applicable to lands affected by such contracts. * * * Since joint-liability repayment contracts were not in general use when the act of August 9, 1912, was adopted, the language used in those acts was not specifically directed at situations arising under contracts of that type. Congress apparently intended that the land-limitation provisions, in effect when the act of May 15, 1922 (42 Stat. 541), the act of May 25, 1926, and other acts covering the use of irrigation district contracts were adopted, would be applicable thereto, as nearly as practicable. Otherwise, substantially different acreage restrictions might result from the discontinuance of water-right applications and the adoption of the joint-liability repayment contract procedures.

"When all construction costs due under a joint liability repayment contract have been paid in full, there is no apparent reason why the lands receiving water under such contract should not be deemed relieved of the excess-land restrictions in the same manner as paidup water right application lands. The fact that Congress did not, in connection with the various acts authorizing or requiring joint liability repayment contracts, enact complete excess-land provisions couched in language adapted to joint-liability contracts does not in itself deny a congressional intention that the principles of its excess-land policy, as previously expressed with reference to water-right applications, should apply to such contracts. The enactment of new excess-land provisions, relative to the phases not specifically covered by the said acts, was undoubtedly deemed unnecessary because these acts became a part of the reclamation laws for all purposes and would be interpreted on that basis. The existing excess-land provisions would, therefore, become applicable.

"In the light of the foregoing, it is my view that upon full payment of construction obligation under a joint-liability repayment contract, the lands receiving water under such contract are, under the provisions contained in section 3 of the act of August 9, 1912, relieved of the statutory excess-land restrictions."

In accordance with this conclusion, a large number of repayment contracts which the Bureau of Reclamation entered into during the years 1949–54 with irrigation districts in Oregon, Idaho, Washington, California, and Montana have had written into them the following provision or its substantive equivalent:

"Pursuant to the provisions of the Federal reclamation laws, water made available hereunder shall not be delivered to more than 160 irrigable acres in the ownership of any one person * * *. The limitations stated in this subarticle shall cease to operate when the construction charge provided in this contract has been paid in full."

Many of these contracts were approved by Congress.

The present Secretary of the Interior has, in effect, announced his concurrence in this view of the law. On July 12, 1957, he said that he was unwilling to enter into a contract with the Kings River Conservation District, California, which would permit individual water users within the district to pay off their proportionate share of the construction costs to be paid by the district and thus come out, as individuals, from under the acreage limitations. But he also said—

"The Department continues to recognize and support the basic concept of reclamation law that full and final payment of the obligation of a district to the Federal Government ends the applicability of the acreage limitations."

"So long as the present acreage limitations remain in the basic reclamation law, they should be complied with, until the district has fully discharged its obligations to the Federal Government."

It is true that the provisions of the 1912 act and their relation to district obligations under the 1926 act have not been construed in any reported judicial decision, but the administrative history is such that the committee has little doubt that the payout rule could and would be properly applied in the present instance even if the State were to be thought of not as a partner but as a customer of the Federal Government. Whatever may be the merits or demerits of continuing to apply the prevailing construction of the 1912 and 1926 acts to irrigation districts in situations in which, although final payment is made only after a period of years during which they have received the benefits of interest-free Federal money and, in many cases, assistance from power revenues, it remains true that (1) the administrative practice of doing so is now so well fortified by history that it can probably be successfully attacked by no one except Congress and (2) that there is no legislation now pending before Congress, nor has any ever been introduced, which would overrule the departmental interpretation of these acts or provide other standards to guide it. The committee cannot, in this circumstance, apply to the special case of the State of California a rule which is not applicable to others.

The Warren Act (36 Stat. 925, 43 U.S.C. 523, 524) adds no substance to the claim of those who see section 7 of the bill as a breach in the Federal Government's land limitation policy. In the first place, that act, limited as its cooperative provisions are to "irrigation districts, water users' associations, corporations, entrymen, or water users," is clearly not applicable to the Federal-State venture proposed in H.R. 7155. In the second place, the Warren Act was enacted before the act of August 9, 1912, cited above and thus, as the Associate Solicitor of the Interior Department in the opinion which has already been quoted in part said, must be regarded as qualified by the payout provisions of the later act.

The whole matter is aptly summed up in the following message from Gov. Edmund G. Brown of California to Senator ENGLE which appears in the CONGRESSIONAL RECORD for May 7, 1959 (p. 6890):

SACRAMENTO, CALIF., *May 7, 1959.*

Senator CLAIR ENGLE,
Senate Office Building,
Washington, D.C.:

Having seen many statements in the press regarding the application of the Federal reclamation laws to the San Luis project, I wish to reiterate what I have said in the past regarding this matter. Upon the basis of my own legal analysis and that of all my legal advisers I am convinced that the Federal reclamation laws do and will apply to all Federal facilities and service areas of the San Luis project. In addition, with or without the language contained in section 6(a) under S. 44, the Federal reclamation laws do not and, in my view, should not apply to the State facilities and State service areas of the project. I am, and I believe that the California Legislature also is, opposed to any unjust enrichment or monopolization of benefits by owners of large landholdings as a result of either Federal or State operation.

However, I feel that the handling of this matter, insofar as State activities are concerned in relation to this project or other State construction, should come as a result of State legislation. I intend, at an appropriate time and before contracts are executed, to take this matter up with the California Legislature in order to preclude the undesirable results which I have described, but I firmly believe that this matter should not delay either Federal or State authorization or construction.

EDMUND G. BROWN,
Governor.

The worst that can be said about section 7, then, is that it is surplusage. Its deletion from the bill would have no substantive effect on the law applicable to the San Luis undertaking. Only an amendment affirmatively requiring adherence to the Federal acreage limitations notwithstanding the State's full payment of its share of the construction cost of the project would accomplish that which those who seek to delete section 7 mistakenly believe would be the effect of doing so.

The committee recognizes that the inclusions of surplusage is usually undesirable in a bill, but it also recognizes that the author of a bill, particularly when he is dealing with a subject that has involved bringing together as many diverse interests and points of view in his State and district as the San Luis project involves, should be given considerable latitude in the way he expresses the position that is arrived at, more latitude than the committee might give itself if it were to start drafting a bill ab initio.

The committee concludes that section 7 of the bill in nowise changes established principles of reclamation law. It can well understand the possibility, however, that there

might be difficulties in securing both statewide agreement and financing for the State project if there were doubt in anyone's mind concerning the relationship and the applicable laws under which each project would be constructed and operated. The committee therefore concludes that inclusion of section 7 in the bill will contribute to clarity and advance construction of the projects. The inclusion of this section—to put the matter otherwise, it is not to be interpreted as indicative of a belief on the committee's part that without it the excess land provisions of the Federal reclamation laws would be applicable to the State-served lands.

It was in the light of such considerations as those that have just been set forth that the committee rejected, by rollcall votes, amendments which would, in one case, have deleted section 7 from the bill and, in the other, replaced it with language requiring the State to agree not to serve lands which would be ineligible to receive water if they were being served by the Bureau of Reclamation.

The CHAIRMAN. The time of the gentleman from California has again expired.

Mr. HOSMER. Mr. Chairman, I yield 5 minutes to the gentleman from Colorado [Mr. CHENOWETH].

Mr. CHENOWETH. Mr. Chairman, it gives me great pleasure to rise in support of this legislation, a bill authorizing the San Luis unit of the Central Valley project in California. Coming from a reclamation State like Colorado I am always anxious to support the reclamation program. I take great pride in the fact that I have voted for all reclamation projects since I have been a Member of this House.

Mr. Chairman, I want to congratulate the distinguished chairman of the House Committee on Interior and Insular Affairs, my colleague the gentleman from Colorado [Mr. ASPINALL], for the skillful manner in which he has handled this legislation. I have been a member of the House Subcommittee on Irrigation and Reclamation which has had this project under consideration for a number of years. You have just heard the gentleman from California [Mr. HOSMER], tell you something about the difficulties which this project has encountered and of the division in California on this proposal. I was happy to see the water users of California agree on this project. The gentleman from Colorado deserves great credit for the fact that he is able to bring this bill to the floor here today, with all parties in agreement I also want to commend the gentleman from California [Mr. SISK], the author of the bill, for his perseverance and diligence in sponsoring and promoting this project over the years. He has done a splendid job.

Mr. Chairman, I had the pleasure of visiting the site of this project in California as a member of the subcommittee several years ago. I saw the need for this project in that great agricultural area and why this project is necessary. I was very favorably impressed with the need for this project. While in Fresno I met some very fine residents of California, and I want to mention just one, Mr. Jack O'Neil. I think Jack O'Neil deserves a great deal of credit also for this legislation being before the House today. He has worked with great zeal and enthusiasm for this project and has made numerous trips to Washington in support of the same. So, I want to commend Mr. O'Neil and his group for their interest in this project, because without their support I doubt if this bill would be before us today.

I have been very pleased this afternoon, Mr. Chairman, to listen to the debate on this bill. It certainly has been heartening to those of us who believe in reclamation, and who recognize that reclamation has been a great success, and that the reclamation program has made a most valuable contribution to the economy of this country. We had on the Democratic side the gentleman from Ohio [Mr. KIRWAN], who is chairman of the Subcommittee on Appropriations handling funds for all reclamation projects. Ohio is not a reclamation State. There is no reclamation in Ohio. But the gentleman from Ohio [Mr. KIRWAN] took the floor this afternoon and called attention to the fact that he has supported these projects and cited the San Luis as an outstanding project. He urged the Members of the House to support the same. All of us are grateful to Mr. KIRWAN for his interest and support. On the Republican side we had the gentleman from Iowa [Mr. JENSEN], the ranking Republican member of the House Subcommittee on Appropriations, of which Mr. KIRWAN is chairman, tell us of his support of reclamation over the years. I want to take this opportunity to thank the gentleman from Iowa [Mr. JENSEN] for the help he has given the reclamation program, and the projects I have sponsored in Colorado. His support has been most effective and helpful, and I know that I speak for many in the State of Colorado when I tell him that we are truly grateful. He has been a real friend of reclamation.

He knows what reclamation has accomplished for this country, and as long as the gentleman from Ohio [Mr. KIRWAN], and the gentleman from Iowa give reclamation projects their full support, we are in good hands. I might state that without such support there would be no reclamation projects. There are not enough of us in the western reclamation States to produce the votes on the floor of the House to pass bills of this magnitude. Here is a bill calling for over $290 million. So, it has been our purpose to sell reclamation to the Representatives from the other States who are not as familiar with the reclamation program as we are. In conclusion, Mr. Chairman, I want to mention one other matter. I refer to the speech made by the gentleman from Colorado [Mr. ASPINALL], on the floor this afternoon in support of this project, calling attention to the fact that our agricultural surpluses are not being built up by products which are produced on irrigated land. It is true that some of the basic commodities are produced on irrigated land. However, I believe he said that just a little over 1 percent of the present surplus of agricultural commodities was produced on irrigated land. I think that is something we ought to keep in mind, and to emphasize that western reclamation projects are not responsible for our present surplus.

Mr. Chairman, I hope that this bill will receive the support of the House and that it will be passed.

Mr. ASPINALL. Mr. Chairman, I yield 10 minutes to the gentleman from California [Mr. HAGEN].

Mr. HAGEN. Mr. Chairman, I do not appear here gratuitously. I have constituents who are interested in receiving water deliveries from the Federal San Luis project and I have more constituents who are interested in the integrity of the State Feather River project. I wish to commend everyone who has expressed an interest in these two projects. I particularly wish to commend the gentleman from Oregon [Mr. ULLMAN] and the gentleman from California [Mr. COHELAN] for opening up a discussion on the floor here today of the so-called section 7 of the bill. The gentleman from Oregon indicated that he would offer an amendment on Thursday, May 19, to strike that section. With respect to this possible amendment, I earnestly solicit your support of the viewpoint which I hereinafter express with respect to section 7. The section has been read into the RECORD by the gentleman from Oregon. However, certain background information is vital to an understanding of this section.

I first want to refer to the effort of California to build its own water project by a State bond issue. In 1951 the California Legislature, after extensive preliminary planning, approved a huge water project to be State financed and State operated, known as the Feather River project. The current cost of this project, or at least the features of it that were described here today, is estimated to be about $1¾ billion. The money will be derived from a State bond issue to be voted upon in California this fall. To date, as I understand, the State has spent in excess of $80 million pursuant to establishing a State Feather River project and has obligated itself, or has authorized itself to spend another $80 million in the immediate future for the same purpose, a total of $160 million.

Let us discuss the relationship of the Feather River project to the Federal San Luis project. Engineering studies disclosed that the State project would require the use of a dam site on San Luis Creek in Merced County for interim storage of water brought there by works to be wholly paid for by California and this same site is deemed necessary for the Federal San Luis project which you will approve or disapprove on Thursday.

What was the resolution of this conflict for a site? It was determined that both the State project and the Federal project had merit, and that the site conflict could be resolved by permitting both to build on the same damsite through the use of common structures thereon and directly appurtenant thereto to which both agencies would contribute their full share of the cost.

The common structures involved would be a main dam, a forebay and an afterbay, common pumps and a main line egress canal. The Federal Government would be the designated construction agent, and at completion, the operating agent of the common structures which would handle the commingled waters

brought there by completely independent water delivery structures.

Actually, the State financial contributions to the cost of construction and operation and maintenance of these common structures will be larger than that of the Federal Government. However, the State yielded to the Federal Government the role of construction and operating agent on the basis that its rights would be protected by a negotiated contract, the essential minimum features of which would be spelled out in a Federal authorizing statute. This brings me to the section 7 problem.

Inasmuch as the State would make the largest contribution to the cost of building and operating the common structures, which are not the whole of either the State or Federal projects, I might add, it was felt necessary to spell out the fact that the joint venture construction without subsidy to the State and the necessary operational commingling of quantities of water would not subject the wholly State financed project to the Federal reclamation law, including but not limited to the acreage limitation phase of the Federal law. Such statutory protection was deemed necessary in spite of the fact that prevailing interpretations of reclamation laws support the same proposition. The necessity arises from these facts:

First. No one can absolutely predict future court decisions.

Second. The State project hinges upon approval and sale of a State bond issue. The lack of explicit protection of the management integrity of the State project might affect the vote on the bond issue, and further, if the bond issue were successful in spite of that adverse effect, could affect the terms of sale and even the general salability of the State bonds. Bond issue lawyers and bond purchasers are notoriously cautious.

Third. The lack of such protection could block State-Federal agreement on a mutually advantageous construction operation.

Fourth. Statutory prohibitive language such as we seek in section 7 would tend to discourage essentially frivolous but costly lawsuits.

Thus section 7 was inserted in the Sisk bill by the author and approved by the House Interior Committee for entirely valid reasons.

Unfortunately, the opposition to this section has come from two sources, and I do not speak ill of them, I merely identify them. Those who feel that the Federal acreage limitation principle should be a part of all water projects and who also feel that all irrigation projects should have a large measure of public subsidy. Their position is implemented in three ways, in order of preference:

First. Securing Federal construction of all large water projects.

Second. Changing State laws to secure absolute conformity to the Federal law.

Third. In the case of the San Luis-Feather River projects, the imposition of Federal law to State water deliveries merely by reason of an arm's length sharing of a common site and common works at that site. This violates all logic and is typical of the attitude that the end justifies the means.

The second group are those who mistakenly feel that section 7 changes the Federal reclamation law. This is not the intent nor the effect of section 7 of the Sisk bill which specifically spells out the fact that the reclamation law applies to all water deliveries financed out of Federal funds. As a matter of fact section 7 itself does this by defining specifically a single class of water deliveries to which Federal law does not apply. Some of these objectors stipulate that the current state of Federal law is identical with the safeguards of section 7, but inexplicably do not want the Congress to state the law. They would abdicate our responsibility and thrust it on some court. Other of these objectors maintain that the current state of the law would subject the State project to the Federal law under the set of facts that we are considering. They view section 7 as an attempt to change the reclamation law. They lack the courage to test their interpretation by offering an amendment spelling their interpretation out in this bill in order that a clear-cut resolution of the justice and strength of their position can be secured in the Congress.

I say let there be light on this issue since the joint features of the Federal San Luis project and the State Feather River project represent a new departure in water cooperation with indicated great savings in cost to the Federal Government. Equity demands that the legislation meet the test of clarity on the issue of whether or not the Federal law applies to a purely State-financed project merely because of a conjunction of construction and use of some features jointly paid for by both. It is my position that section 7 should be retained substantially as it stands. If it needs clarification, let the opponents offer amendments to clarify it. Those opponents of section 7 who feel the Federal law should be applied to the State Feather River project should offer amendments to make such application clear. That would be an act of good faith. Absence of such action is merely an invitation to costly and harassing lawsuits and threats to a California bond issue which in the foreseeable future will greatly reduce demands on our Federal Treasury for California water development.

Mr. GUBSER. Mr. Chairman, will the gentleman yield?

Mr. HAGEN. I yield to the gentleman from California.

Mr. GUBSER. I commend the gentleman for his statement, and would like to ask him if he would enlarge on the point he has just mentioned, that the salability of the bonds for the State water project would be endangered or certainly be placed in jeopardy by the removal of section 7.

Mr. HAGEN. These bonds are only valuable to the extent that the State can find participants in its State project. A large group of these potential participants are in my district in Kern County and they would not buy any program from the State that involved application of the Federal reclamation law. I understand the same opinion holds in Los Angeles. We must remember that there is more to the Federal reclamation law than merely the acreage limitation. I am certain the city of Los Angeles with respect to its share of the State project do not want the Bureau of Reclamation telling them how to run it.

Mr. LIPSCOMB. Mr. Chairman, will the gentleman yield?

Mr. HAGEN. I yield to the gentleman from California.

Mr. COHELAN. Is not the gentleman overlooking the fact that the whole purpose of the project is to benefit people and not to benefit the land? I ask the gentleman if he remembers the Ivanhoe case, an identical case in which it was stated by the Supreme Court:

> It is a reasonable classification to limit the amount of project water available to each individual in order that benefits may be distributed in accordance with the greatest good to the greatest number of individuals.
>
> The limitation insures that this enormous expenditure will not go in disproportionate share to a few individuals with large land holdings.

Mr. HAGEN. May I answer in this way. I have supported the principle of acreage limitation and as a consequence some of these large landowners who are my constituents have never supported me. But it is a separate proposition to say that Federal law should apply to waters that are financed purely at the expense of the State of California and its citizens. This is an entirely separate proposition.

Mr. LIPSCOMB. Mr. Chairman, will the gentleman yield?

Mr. HAGEN. I yield to the gentleman from California.

Mr. LIPSCOMB. I, too, want to commend the gentleman for the statement he has made. I know of the work he has done in this area and I know the gentleman does have an interest in the individual.

Mr. GUBSER. Mr. Chairman, will the gentleman yield?

Mr. HAGEN. I yield to the gentleman from California.

Mr. GUBSER. Does the gentleman know whether or not the State legislature in the State of California at the present time is exploring the possibility of applying the 160-acre limitation to the State portion of the project, and would the gentleman agree that if they are that that is their prerogative and, certainly, is not the prerogative of the Congress to be the all-seeing eye and to be dictating the laws of each of the several States?

Mr. HAGEN. That is absolutely right. Unless we adopt a philosophy that we are for limitation "come hell or high water," and that the end justifies the means. We legislate for a Federal project, not for the State of California, I hope.

Mr. ULLMAN. Mr. Chairman, will the gentleman yield?

Mr. HAGEN. I yield.

Mr. ULLMAN. Is it not true that if this is redundancy and if, as the gentleman says, this does not change the reclamation law, what is all of the concern about on the part of the landholders?

The gentleman does have large landholders in this area. What is the concern about if it does not change the reclamation law?

Mr. HAGEN. First I want to commend the gentleman from Oregon for his interest in this bill. If you and I were to sit down and write a contract, we would want to cover everything that we felt we needed language on rather than relying on a body of case law which is sometimes hard to find and often ambiguous.

For example if I were leasing your barn I would want to specifically cover the contingency of fire even though perhaps the common law would cover it, but as long as we are writing a contract, why not put it in there. It avoids the possibility of some lawsuit on the basis of the absence of that clause in the contract. Similarly legislators frequently codify an accumulation of legal interpretations in the interests of clarity and avoidance of controversy.

Mr. ULLMAN. Would that not be decided by the Court?

Mr. HAGEN. We should not wait upon that. The Members of this body are not legislating for the State of California with respect to their internal management of water projects and that fact should be clearly stated.

The CHAIRMAN. The time of the gentleman from California [Mr. HAGEN] has expired.

Mr. HOSMER. Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania [Mr. SAYLOR].

Mr. SAYLOR. Mr. Chairman, the San Luis project, which is being discussed today, is unusual in many respects. First it is unusual in that for the first time in the history of reclamation, which began 58 years ago, a State in the Nation, which is recognized as a reclamation State, has come forward and asked to participate in the project. Up until this time, every time a reclamation project has been presented, every project has been a complete Federal project. Many of these reclamation projects since 1902 have been built in areas where the Federal Government owned all of the land. That brings me to the second point that makes this an unusual project. There is only one area in this section of California where a dam can be built, which will enable not only the area which is known as the Federal area but also the area which has been called a State area, to store water from the northern part of California so that it can be used in this area, and from this area transported south to the area of Los Angeles, through the Tehachapi Mountains to the west coast, and used in the towns in that area of California.

If the State of California, as a result of a bond issue which will be voted upon by the people of that State in this fall's election decides to go ahead, then we find ourselves in the situation that the Federal Government will have absolutely no place to store water and supply much needed water to a Federal area that is entitled by every standard that has been laid down by the Congress since 1902, to have water supplied in a reclamation district.

I want you to notice section 2 of this bill which is unusual, because it contains the provisions directing the Secretary of the Interior to carry out the negotiations with the State of California that are necessary before we can proceed with the building of the San Luis project. Section 2 states:

The Secretary—

Meaning the Secretary of the Interior—

is authorized, on behalf of the United States, to negotiate and enter into an agreement with the State of California providing for coordinated operation of the San Luis unit, including the joint-use facilities, in order that the State may, without cost to the United States, deliver water in service areas outside the Federal San Luis unit service area as described in the report of the Department of the Interior, entitled "San Luis Unit, Central Valley Project," dated December 17, 1956. Said agreement shall recite that the liability of the United States thereunder is contingent upon the availability of appropriations to carry out its obligations under the same.

And, mark this well, because if this bill is passed, this is not the last time you will review the San Luis project, because once the agreement is entered into section 2 further provides:

No funds shall be appropriated to commence construction of the San Luis unit under any such agreement, except for the preparation of designs and specifications and other preliminary work, prior to ninety calendar days (which ninety days, however, shall not include days on which either the House of Representatives or the Senate is not in session because of an adjournment of more than three calendar days to a day certain) after it has been submitted to the Congress, and then only if neither the House nor the Senate Interior and Insular Affairs Committee has disapproved it by committee resolution within said ninety days.

So, if this bill is passed and an agreeable contract is entered into between the Federal Government and the State of California, then it must be brought back to the House Interior and Insular Affairs Committee and the Senate Interior and Insular Affairs Committee for their approval before the Appropriations Committee can authorize any money under this bill.

Mr. ASPINALL. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I am happy to yield to my chairman.

Mr. ASPINALL. I want to commend my colleague for bringing this provision to the attention of the Committee. This is an important provision, and as usual, my colleague from Pennsylvania always has a keen insight into important provisions of legislation. I thank him again for bringing this provision to the attention of the Committee.

Mr. GUBSER. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I yield.

Mr. GUBSER. I wish the gentleman would correct me if I am wrong in this statement: Is it not true that the gentleman from Pennsylvania now in the well of the House offered an amendment in the committee which stated that Federal reclamation law should apply to the State portion of the project?

Mr. SAYLOR. I did.

Mr. GUBSER. And is it not true that the amendment was rejected by the committee?

Mr. SAYLOR. That is correct.

Mr. GUBSER. And is it not true that apparently the Committee on Interior and Insular Affairs decided that the reclamation law shall not apply to the State portion of the project based upon that vote?

Mr. SAYLOR. Based upon the vote, at least the 160-acre provision should not apply.

To come to the conclusion which the gentleman has done from my one amendment that was defeated I do not see is a justifiable deduction.

Mr. GUBSER. Was I incorrect and should I revise my statement to the extent that the gentleman tried to insert an amendment which would make the 160-acre limitation apply?

Mr. SAYLOR. That is correct. That I did.

Mr. ASPINALL. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I yield to the gentleman from Colorado.

Mr. ASPINALL. And in addition, the feeling of the majority of the committee was to the effect that Federal law should not be applied to State projects?

Mr. SAYLOR. That is correct.

Mr. HAGEN. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I yield to the gentleman from California.

Mr. HAGEN. I have admired the gentleman from Pennsylvania for some time for his knowledge of reclamation law and reclamation projects. I would like to ask the gentleman, is not the worst possible position that could be assumed on this issue a mere striking of section 7? Is it not much more preferable to have the present section in the bill or the section which the gentleman offered in committee?

Mr. SAYLOR. That is a matter of opinion. I would have liked to have seen my amendment in the bill or I would not have offered it.

Mr. Chairman, I have had a number of questions asked me by colleagues on both sides of the aisle as to why I support this project, why I support this project at a time when the amount of money involved is so much and, according to some people, there has not been shown a need for any project, let alone another huge one in California.

Let me give you some good reasons why this bill should be enacted and why this project should be approved.

This is a true reclamation project. Ninety-eight percent of the cost of this project goes to irrigation, and is reimbursable which was the basic purpose of the original act of 1902. No bill covering any reclamation project in the 6 terms I have been a Member of Congress has had such a high proportion of its cost go into the reclamation of land. In view of the fact that some of this land which would be irrigated by the project is already under irrigation, I was interested in finding out what would be the effect of placing this new irrigation

water upon this land, supplementing the pumping that is going on in that area.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. HOSMER. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. SAYLOR. Mr. Chairman, every witness who appeared, both from the Department and from the area, testified that the sweet water that comes down from the northern part of California and which will be stored in this dam will if allowed to flow onto the land to be irrigated, instead of raising many of the crops which are now in surplus, it will be possible in this area to convert this territory into a place where it will grow crops and foodstuffs which are in short supply. I think this alone will be a tremendous benefit not only to the State of California but it will be a tremendous benefit to the United States.

Another important feature of what this bill actually does, is extend to the south side of the Central Valley the same benefits which Congress in its wisdom extended to the east side of the Central Valley of California, and to enable the people who live in the south side of the Central Valley area to receive the same benefits that the people who live on the east side of the valley have already received.

The land in this area is just as good and will produce the same kind of crops that are being produced over on the east side of the valley.

It is also interesting to note that the cost-benefit ratio in this project is unusually high. Most of the projects which the Bureau of Reclamation has brought to us in recent years have averaged less than 1.5 to 1.

This project has a better than 2½ to 1 benefit cost ratio. That is one of the highest ratios that this Congress has had presented to it in the last 12 years.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I am happy to yield to the majority leader.

Mr. McCORMACK. One of the great challenges, as I see it, confronting our people in the years that lie ahead is the availability of water for drinking and sanitation purposes. Does the gentleman agree that that opinion of mine has substance?

Mr. SAYLOR. It certainly does.

Mr. McCORMACK. I think we have a great challenge within the immediate years ahead; is that not right?

Mr. SAYLOR. That is right. And, I might say to the majority leader that the water problem that confronts the American people is confined not just to the western reclamation States, but it also affects his State and mine here in the East. It is a national problem.

Mr. McCORMACK. Everywhere; it is a national problem. And, I understand, in addition to the other benefits that will flow from this project, that it also covers the field of water available to the communities out there, towns, cities, and so forth, in connection with their future water demands, from the angle of drinking and sanitation and so forth.

Mr. SAYLOR. That is correct. It will make available to the southern part of the State a great supply of fresh water which is now running to waste in the San Francisco Bay.

One of the important things about this bill is that after all of the controversy that has existed over the years, the State and all of the parties to it have gotten together and agreed unanimously upon this bill with the exception of section 7. That is a matter on which the House will have to work its will when the bill is read for amendment under the 5-minute rule.

There is another provision in the bill that I would like to call attention to, and that deals with section 8. Section 8 places a limitation upon the amount of money that can be expended for this project. This follows the policy which the House Committee on Interior and Insular Affairs insisted be placed in each reclamation bill which comes out of that committee. It does, however, have one sentence in it which I am going to offer an amendment to delete, when we get to that stage, and that appears on page 12, lines 19 to 23, which is an open end appropriation for the construction of distribution systems and drains and for operation and maintenance. It is my belief that these features of the bill should be included in a closed contract just as the others are.

Mr. Chairman, I might say that after all of these nice things I have had to say about the project, some may wonder if there is not something that you can complain about. And, I would like to point out to my friends from California that while this is a good project and it is going to cost a lot of money, the Congress has given away or has placed itself in such a position that the Federal Government and the people in that area will have to pay for it completely out of their own pockets. If the committee would have accepted some years ago a provision which would have sold falling water from the Trinity project, which is also a part of the Central Valley, to one of the private utilities that made an offer for it, from that income alone there would have been more than sufficient funds to pay for this project. That was not the will of the members of the committee, and so this is one of the things that Congress will have to face up to in this bill.

Mr. ASPINALL. Mr. Chairman, I yield such time as he may desire to the gentleman from California [Mr. JOHNSON].

Mr. JOHNSON of California. Mr. Chairman, as a cosponsor of the legislation now before us, I would like to rise in support of H.R. 7155. First of all, however, I would like to commend my colleague from Colorado, Mr. WAYNE ASPINALL, chairman of the Committee on Interior and Insular Affairs, and my colleague from Texas, Mr. WALTER ROGERS, chairman of the Subcommittee on Irrigation and Reclamation, which considered the bill.

The committee examined this bill extensively. It studied the project in the record and on the ground and came up with a sound recommendation for the San Luis project. The wonderful work of the committee members did much toward resolving the many problems so that with one exception, which I personally believe of minor importance, we have a bill we can give our united support.

I thank Chairman ASPINALL and Chairman ROGERS for their fine work.

Looking at the bill itself, Mr. Chairman, we find H.R. 7155 would authorize construction of an outstanding reclamation project. This project would irrigate 480,000 acres of high productive land in the San Joaquin Valley. Much of this land now is irrigated from ground supplies, but the underground pools are being depleted at an extremely rapid pace. Five times more water is being drawn from the ground than is being replaced each year. One city of 6,000 people has become so desperate that it is hauling its domestic water by tank car.

If this goes on much longer, the fine farms of the area will return to dust. The desert will reclaim the land. Certainly in this day when an expanding population demands more and more foodstuffs we do not want that type of reclamation.

The San Luis project will permit proper reclamation, development of the fruit, vegetable and dairy commodities for which there is a substantial demand in the immediate region.

The Bureau of Reclamation predicts that of the 480,000 acres to receive the benefits of this project, 88,000 acres will be in truck crops, 22,000 acres in deciduous fruit and grapes, 66,000 acres in miscellaneous field crops, 88,000 acres in alfalfa, 44,000 acres in irrigated pasture, 132,000 acres in cotton and only 44,000 acres in irrigated grain and grain hay. A substantial amount of the 400,000 acres now under cultivation is in wheat production. The transformation created by the availability of an increased stable supply of good water thus will have an effect on our national wheat surplus problem.

The transformation from wheat and cotton to fruit and similar commodities will mean a gross increase of agricultural production of $35 million a year. All of this will be added to our gross national product for the benefit of the entire Nation. This $35 million will be money not otherwise in circulation and will be spent for automobiles, refrigerators and other appliances, furniture, shoes, clothing, frozen and canned goods from throughout the Nation, homes, and in that way provide more jobs for people throughout the Nation. The transition from the large holdings to the smaller, family type farm also will provide more jobs and more homeowners in the immediate area. This, of course, will bolster and stabilize the economy to the benefit of the entire Nation.

The committee has found the benefit-cost ratio to be feasible economically with a benefit of 2½ to 1.

The project is unique in one way. It is the first Federal reclamation facility constructed in cooperation with a State government. In developing independent water plans, the State and Federal Governments settled on the San Luis site as the only feasible location for a major storage installation. From this came the logical decision that the project should

be developed and used jointly, although each agency would have its own basic collection and distribution system. The Federal Government has developed projects with local agencies for many years in all parts of the Nation.

There is no reason why the Federal Government and States cannot work together, especially when the scope of the projects far exceed the jurisdiction of any single local agency.

There are many flood control, reclamation, and other types of projects involving large areas, even more than one State. These projects could be developed most successfully on a cooperative State-Federal basis.

The San Luis project is a pilot plan for all these developments. I believe the Congress should try this pilot program, especially when committee and bureau feasibility reports indicate it will be so successful.

State participation in this project would save the Federal Government $50 million.

This is another benefit for all the people of the Nation.

Reclamation programs were developed as a program of the people. Here we have a reclamation project which will benefit the people in many ways:

By raising the standard of living of the immediate area, which will have its effect throughout the Nation.

By providing the needed farm commodities for a growing nation.

By adding $35 million a year to our national economy, which means more products and more jobs.

All of this can be achieved at relatively low cost to the people of the Nation, since all of the distribution system costs will be repaid and almost all of the basic project costs will be repaid. The annual benefit-cost ratio is 2½ to 1.

Mr. Chairman, our fine committee has given this matter long and thorough study over the years and in summary had this to say:

On the basis of its extensive consideration and examination of the San Luis project over the past several years, the committee finds that the Federal San Luis unit is physically and economically feasible and a desirable and logical addition to the Federal Central Valley project.

The committee finds that water service to this area is urgently needed to prevent most of the area from returning to desert, and the committee believes that the San Luis unit should be authorized and construction undertaken at the earliest possible date.

The legislation here reported provides a sound basis for joint Federal-State development and use of the San Luis Reservoir site and for an agreement between the Secretary of the Interior and the State with respect to such development. At the same time the legislation provides the means whereby the project can be constructed as an all-Federal development in the event an agreement between the Department and the State is not reached.

I urge you to approve this project. Thank you.

Mr. ASPINALL. Mr. Chairman, I yield such time as he may desire to the gentleman from California [Mr. McFALL].

Mr. McFALL. Mr. Chairman, I rise in support of H.R. 7155, the Sisk bill to authorize the San Luis unit of the Central Valley project and to enter into an agreement with the State of California with respect to its construction and operation.

This proposal represents, in my opinion, the best possible example of Federal-State action in water resources development.

The operation of the Federal San Luis unit would conserve and regulate surplus wintertime water that now wastes into the Pacific Ocean and make it usable, along with additional CVP water from storage, in the water-deficient San Joaquin Valley to the south.

The water made available would provide a supplemental water supply for the irrigation of about 480,000 acres of highly productive land on the west side of the San Joaquin Valley. The unit would also provide some domestic and municipal water as well as important benefits to recreation and to the preservation and propagation of fish and wildlife.

At the same time, construction of this Federal unit will allow the development of a State project to serve additional thousands of acres of land badly needing irrigation and will serve as the basis for the transportation of water from north California to south California as is contemplated in the State water plan.

This Federal-State cooperative pattern might well also provide solutions to other water problems throughout the Nation, with resulting savings to the States involved and to the Federal Government.

The joint-use plant of the San Luis Reservoir site, apparently the only adequate and feasible storage site in the area, is the outcome of a situation in which the Federal Government and the State of California found themselves proposing key projects utilizing the same reservoir site. The State's Feather River project plan calls for storage at the San Luis location, as does the Bureau of Reclamation unit of the great Central Valley project.

In spite of the manifest difficulties in drawing up workable legislation to accomplish this joint purpose, the House Interior Committee, through the persistent and knowledgeable leadership of Congressman SISK over the past 4 years, has drawn a bill that can and will do the job.

The San Luis project directly fits the purposes and objectives of our national reclamation policy, and the Secretary of Interior, after full study, has described the project as economically feasible and with a very favorable benefit to cost ratio of 2½ to 1.

The project would be operated under Federal reclamation law, and I would support amendment of the measure under consideration to delete the section 7 provision in this regard, which has been the subject of some considerable discussion and misunderstanding.

The committee report makes it clear that this section is not necessary to carry out the purposes of the bill. Some people feel that the section would alter or modify existing provisions of Federal reclamation law, including the 160-acre limitation. I feel that under these circumstances it is better to leave the Federal law as it is and remove section 7 from this bill. We in California are not seeking any exemptions or favors that are not now available to all other States under general reclamation law. The 160-acre limitation has long since proved its worth in the development of our West.

Because of the lack of a firm water supply, the area to be served by San Luis does not now lend itself to the development of family-sized farms. With a firm supply of good quality water it is expected there will be a big change in the crop pattern and this, together with application of the acreage limitations, will cause the large holdings to be broken up into family-sized farms in the best tradition of American agriculture.

Also it is important to note that the pattern of family size farming in California is toward the nonbasic crops, the speciality crops such as fruits, nuts, and vegetables, which are not a part of our great national agriculture surplus problem. It is estimated that without this project, lands remaining under irrigation from ground units would be devoted to grain and cotton, which you will recognize as two of our problem crops.

The action we take today on this legislation will set the pattern for water and agriculture development in California for the next decade or longer and it may well show the way to other States with similar problems. Our State and our Nation need this project. I earnestly solicit your support of this measure.

Mr. ASPINALL. Mr. Chairman, I yield such time as he may desire to the gentleman from Nebraska [Mr. McGINLEY].

Mr. McGINLEY. Mr. Chairman, as a member of the committee on Interior and Insular Affairs and as a member of the Nebraska delegation, I am in support of this legislation. As an important addition to the development of the Central Valley project in California, the San Luis portion is unique in many ways. Its arrival here, in bill form, on the floor of the House today is the culmination of many years of discussion, planning, negotiating, and resolving of many diverse and conflicting interests in the State of California, all of which have a legitimate stake in the final agreement that is represented in this legislation.

To me, as a resident of the Platte Valley of Nebraska, one of the most interesting beneficial features of the San Luis project is the anticipated recharge of the underground water supply that will result. The gentleman from California [Mr. SISK] has explained the critical depletion of ground water in the San Joaquin Valley which has been drawn upon for pump irrigation. He says that whereas it once was possible to have efficient wells of the depth of 200 feet, that it is now necessary to install wells having a depth of 1,000 and 2,000 feet. It is unnecessary to elaborate on the obvious cost of the farming operation that must resort to such massive investments in deep-well facilities.

Of course, each of us from our own regions encounter different problems in

the goal of using our water resources to the fullest advantage and efficiency. But I am most interested in this aspect of reclamation project benefits—that of recharging the diminishing groundwater levels in established agricultural areas. Although it is one of the most real benefits, it is unfortunately one of the least measurable from the standpoint of methods used in arriving at a benefit-to-cost ratio.

Maintenance of a stable groundwater reserve is becoming more and more important in farming areas where farmers have made heavy capital expenditures in pump irrigation works. We have recognized this in the Platte Valley of central Nebraska, a rich farming and livestock feeding area, where the Bureau of Reclamation has presented the mid-State project as a means to alleviate the threatening decline in our natural water table.

Mr. Chairman, it has been my privilege as a first-term member of the Irrigation and Reclamation Subcommittee to have had a small part in the formulation of this legislation. I congratulate my colleague, Mr. SISK, and the other Members from California who have labored so long to bring the San Luis project closer to reality.

Mr. ASPINALL. Mr. Chairman, I yield such time as he may desire to the gentleman from California [Mr. COHELAN].

Mr. COHELAN. Mr. Chairman, like the gentleman from Oregon [Mr. ULLMAN], I share the general feelings which have been so well expressed that the San Luis project is a good project and should be passed. While I favor the project and urge its passage, I also strongly urge the adoption of an amendment which will be introduced at the appropriate time by the gentleman from Oregon to delete section 7 from the bill.

The basic question, then, Mr. Chairman, is how Federal reclamation law, and specifically the historic and traditional 160-acre limitation, shall apply to a reclamation project, like the proposed San Luis Reservoir, in the construction of which the Federal Government is joined in some part by a State.

Generally, the San Luis bill provides for construction of a major central reservoir just about in the center of our State to store waters gathered in the northern and eastern mountain ranges. From this vital storage basin, water would then be distributed to parched lands in the central, southern, and coastal areas of California.

In the two major valleys in the interior of California, the Sacramento and San Joaquin Valleys, we already have a vast Federal reclamation project—the Central Valley project. Some of the San Luis waters would be used to enlarge the Central Valley project to include valuable acreage now served by deep wells which are drying up. Other San Luis waters would be distributed to southern and coastal areas of the State.

According to the plan envisioned in the San Luis Reservoir bill, H.R. 7155, the Federal Government will build canals to take part of the San Luis water to the new Central Valley project land. The State will build separate canals to carry water to the southern and coastal areas. Now this is the heart of the matter: Those who support section 7 of this bill and argue for its retention propose that the question of how Federal reclamation law shall apply shall be simply solved on the basis that water carried through State-constructed canals is "State project" water and shall not be controlled by Federal reclamation law. Of course, it is all right, they say, for the water distributed from the San Luis Reservoir through Federally constructed canals to be termed "Federal project" water and distributed under the 160-acre limitation and other Federal reclamation law. In short, this bill applies Federal reclamation law simply on the basis of whether the State or the Federal Government distributes the water after it leaves the San Luis Reservoir.

Mr. Chairman, this is a gross oversimplification which blithely overlooks the vast Federal expenditure in the many and extensive dams, powerhouses, canals, and other facilities which will be used in gathering the water which will be stored in the San Luis Reservoir, and fails completely to take into account the vast Federal expenditure which would go into the construction of the San Luis Reservoir itself.

Let us take a closer look. The flow of water into the Sacramento-San Joaquin Delta, the natural pool from which the San Luis Reservoir would be directly filled, is regulated and controlled by the Shasta Dam, the Keswick Dam, the Nimbus Dam, the Folsom Dam, and others. These are all projects which were constructed with Federal funds. Furthermore, waters en route to San Luis Reservoir would pass through the delta cross-channel, a project constructed with Federal funds. These same waters would be pumped up out of the delta en route to San Luis through the Tracy pumping plant, a project constructed with Federal funds. Finally, San Luis pumping facilities will be activated by power from federally constructed powerplants in the Central Valley project.

Now we get to the San Luis project itself. The immense substructure of the San Luis Reservoir, the deep foundations, and the first story of the dam would be constructed and financed by the Federal Government. On top of this, it is proposed that the State of California build a second story so that it will be possible to store more water. The basic unit would be a Federal project and without this primary Federal investment there would be no reservoir for the State to later expand.

These are the facts: First, Federal structures regulate and control the water which will be gathered at San Luis, and, second, Federal investment will make the San Luis Reservoir possible.

These are the facts which we are asked to ignore when it comes to the question of how Federal reclamation law shall apply. Section 7 of H.R. 7155 would have us ignore the Federal interest in the structures by which water is brought to, and stored at, San Luis and simply divide the water after that point on the basis of whether it is then distributed by the State works or by Federal works and apply Federal reclamation law accordingly.

Federal reclamation law, specifically the Warren Act, bases the application of Federal reclamation law on the question of what facilities the water passes through, not just at one point along the way, but throughout the whole project—not just on the canal through which the water passes from a particular reservoir, but on the dams and canals and reservoirs through which it passes from point of origin to point of use.

Mr. Chairman, the amendment to delete section 7 from H.R. 7155 is intended to do only one thing, namely, remove that section of this bill which predetermines that Federal reclamation law shall be applied on the basis of who carries water from the San Luis Reservoir, the section which completely ignores the extensive Federal interest in San Luis itself and in the vast facilities which will bring that water to the San Luis pool.

Congress cannot ignore that Federal interest. Indeed, the sole job of the Congress in this matter is to jealously protect the Federal interest.

Mr. Chairman, deletion of section 7 of this bill will accomplish two things. Not only will it protect the traditional Federal reclamation law, but it will also assure the passage of this legislation which is so important to the State of California. The other body last year passed the San Luis bill after deleting this same language, and, in doing so, made it clear that a House bill which includes this controversial section will not be acceptable.

I urge my colleagues to vote for the Ullman amendment to protect Federal reclamation principles and to assure the passage of this legislation which will create a vital, worthwhile reclamation project much needed in California.

The following letter from Dr. Paul Taylor, professor of economics and chairman of the Institute of International Studies at the University of California in Berkeley, Calif.—a distinguished economist long regarded as an expert on water and land policy—is well worth the careful attention of our colleagues. It is a summary statement of Professor Taylor's views on the San Luis project.

APRIL 6, 1960.

HON. JEFFERY COHELAN,
House Office Building,
Washington, D.C.

DEAR CONGRESSMAN COHELAN: A proposal is before the House to abandon this Nation's historic policy of distributing the benefits of water widely, rather than reserving them for the few.

Specifically, section 7 of H.R. 7155 (San Luis) proposes to grant waters destined for delivery to a so-called State service area the special privilege of using Federal facilities without observing the Federal excess land law. It has been a practice to defend some past proposals for similar exemption on the ground that few large landholdings were involved in the area, perhaps on an unspoken theory that a violation of public policy is not really a violation if it is small enough. Even that specious plea cannot be made to Congress at San Luis.

The proposal of H.R. 7155 is to exempt, not a handful of large landowners, but an area of perhaps the greatest concentration of landownership of an irrigable area in the United States. In 1947, 34 individuals or corporations, according to reports of the Bureau of Reclamation to Congress, owned close to three-quarters of a million acres "in probable present and future San Joaquin Valley service areas" of water development. None of them owned less than 5,000 acres each. (Senate Public Lands Subcommittee hearings on S. 912, 80th Cong. 1st sess., p. 864.)

In face of this frontal attack on national policy, we need to remind the public that the 160-acre limitation is exceedingly generous to large landowners. If it disappoints them, it is not because reclamation law is not lavish in the benefits it bestows, but because the law places a ceiling on the benefits one individual can receive. The excess land law takes nothing from its beneficiaries except hopes and expectations of gain that Congress has decided are beyond what they can appropriately be permitted to receive. A few simple arithmetic calculations of subsidies on a project adjacent to San Luis can be used to suggest the ceiling, and leave to anyone's judgment whether it is unreasonably low, and a just ground for complaint. In 1957 California Congressmen (ENGLE, MILLER, MOSS, HAGEN, SISK, MCFALL) estimated that the per acre subsidy on Federal Central Valley project, adjacent to San Luis, is $577, or $92,320 for 160 acres; or $184,640 for 320 acres of water allowed to man and wife by current interpretation of the excess land limitation. These estimates are exclusive of flood control subsidies, and exclusive of the privilege accorded to excess landowners of operating their entire acreages, no matter how extensive, with a subsidized water supply for about 10 years prior to sale of the excess holdings. The financial magnitude of this operating privilege has been acknowledged to Congress by a witness unfriendly to any protective limitation whatsoever on the amount of public subsidy to individuals:

"Let us lay the cards on the table with respect to [a particular, named], large landowner. I will give you my own opinion of his willingness to sign the 160-acre limitation. He thinks if he gets water for 10 years on there without having to sell it, he can make enough out of it so he can afford to sell the land at any old price." (Testimony of Harry W. Horton, chief counsel, Imperial Irrigation District, California, hearings before Senate Subcommittee on Interior and Insular Affairs, 85th Cong., 2d sess., on S. 1425, S. 2541, and S. 3448, pp. 87, 88.)

To approve section 7 would be to say that subsidies and gains from public expenditures of these large, not to say vast magnitudes, are too small.

So far as I know, no one has offered any reason why this great concentration of landownership in a California "State service area" should be freed from the compliance with law expected of other landowners. The author of the National Reclamation Act, and other original sponsors of reclamation said they had this very concentration of large holdings in mind when Congress passed the 160-acre water limitation in the first place.

Instead of pointing out characteristics, if any, of this extreme concentration of landownership in the San Luis area, that might support a plea for special treatment, the specious reason is advanced that State law should govern a State-served area. This, of course, is misleading; section 7 is unnecessary to assure that waters delivered to State service areas will be governed by State law. The fact is that Federal law applies at San Luis because these waters use Federal facilities, as the very language of section 7 acknowledges. There is no evidence at all that the owners of vast landholdings in the State service area want State law to apply; on the contrary, they want no acreage limitation law at all, neither Federal nor State.

California has a State law which it adopted, viz, Federal acreage limitation for Federal projects in the State, but a gap in State law leaves the so-called State service area uncovered by the State's policy. Large California landholders seek, not to extend State law in accord with State policy, but to preserve the gap. A recent decision of the California supreme court, on February 29, 1960, declares this identity of Federal and State policy and law on Federal projects in the State. The court said there is no "basic conflict between Federal policy and law on one hand, and State policy and law on the other. * * * The Federal Congress by the passage of section 5 of the Reclamation Act, has determined, lawfully, that the 160-acre limitation, is a basic part of Federal policy. The State legislature has adopted this concept as State policy by specifically authorizing irrigation districts to enter into contracts for project water that contain the 160-acre limitation (Wat. Code, sec. 23195)." (*Ivanhoe Irr. Dist.* v. *All parties* (53 Advance Cal. 718).)

California policy adverse to large landholdings is even older than Federal-State reclamation legislation. The State constitution contains a 320-acre limitation on grants of State lands (art. XVII, secs. 2 and 3); and the convention debates show that article XVII was adopted largely in protest against concentration of landownership in the very State service area for which section 7 now seeks an exemption from Federal law. Interpreting article XVII, the California Supreme Court has said:

"It must be manifest that all lands within this State should, so far as governmental action could accomplish it without violating private rights, be held in small tracts and constitute homes for its owners" (*Fulton* v. *Brannan* (88 Cal. 454, 455)).

There is no evidence, however, that the California Legislature intends to close the gap in State law in order to achieve State policy on the San Luis "State service area." On the contrary, the legislature has defeated attempts to close the gap in 1957 and again in 1959. There is no evidence that the legislature will do differently in the future. On the contrary, a leading association in California with spokesmen for very large landholdings on its directorate appears confident that the legislature can be relied upon not to bring State law into line with State policy. As recently as February 12, 1960, the Feather River Project Association opposed Federal construction of San Luis joint-use facilities if Congress rejects the exemption proposed by section 7, and proposes turning construction over to the State. Of course, the people of the State may not approve this proposal to help large landholders escape from public policy.

The Feather River Project Association joins others who have been saying to Congress, "It is essential to the State water development program that State laws apply to its water service areas" (FRPA Newsletter, Feb. 29, 1960). There is no State law, and most of those who insist on section 7 do not want any State law. The appeal to demolish existing Federal law in order to make way for an alleged State law appears to resemble an invitation to Congress to permit itself to be led by the hand into a dark cellar at midnight, searching for a black cat that isn't there.

At this time no one can even be certain how much of a State water project there will be. California voters will not decide prior to November 1960 whether they approve a general obligation bond issue in the amount of $1.75 billion to start financing a program. Opposition to these bonds is strong, and for many reasons. The California Federation of Labor, in the absence of policy protection at least equal in strength to the Federal 160-acre limitation, is among the organizations that oppose the issue.

If California should decide to put up money for a State program, is even that a reason why Congress should scrap a good Federal policy? The 160-acre protection was written for the benefit of the many in every State, including California, and not for the few. Congress has rejected proposals to sell policy in exchange for money before this. The 57th Congress, facing this question, said "No." It specifically repudiated "commutation" of policy for money in framing the original act of 1902 because it knew how seriously cash purchases of land had damaged the policy of the homestead law (sec. 3, 38 Stat. 389; Paul W. Gates, "Homestead Law in an Incongruous Land System," 41 Am. Hist. Rev. 655, 656).

You will appreciate, surely, that I am not speaking of conscious purposes of congressional sponsors of section 7, H.R. 7155, but rather of the natural and probable damage to policy that would result if Congress should take the action they propose. The damage was described as intentional on the part of excess-land owners as long ago as 1944, before the present sponsors were Members of the Congress, when a national magazine forecast that large landowners in Central Valley would seek to make use of the State of California as a means of escape from acreage limitation. "Another proposal," it wrote, "said to have originated among the big landowners of Fresno County, is for the State of California to take over the Central Valley project, paying the entire bill." (Business Week, May 13, 1944, p. 24.) Section 7 of H.R. 7155 and the resolution of the Feather River Project Association on February 12, 1960, appear to harmonize with this forecast.

The 160-acre limitation of 1902 was an expression in reclamation law of a principle embodied even earlier in homestead and preemption land laws, favoring widespread ownership of property rather than concentration. Widespread ownership was believed to be favorable, if not necessary to government by the people. Speaking in 1820 at the bicentennial of the landing of the Pilgrims, Daniel Webster said:

"Their situation demanded a parceling out and division of the lands; and it may be said fairly that this necessary act fixed the future frame and form of their Government. The character of their political institutions was determined by the fundamental laws respecting property. * * * The consequence of all these causes has been a great subdivision of the soil, and a great equality of condition; the true basis most certainly of popular government." (Webster, discourse delivered at Plymouth, Dec. 22, 1820. In commemoration of the first settlement in New England 53–54 (3d ed. 1825).)

Is widespread ownership of land by families outmoded? No American political party has said so yet. No studies of agricultural production indicate that family farms of sizes permitted by acreage limitation are inefficient. During the recent visit to this country of Mr. Khrushchev, the name of a distinguished Member of the House was appended to a vigorous letter published in the Washington Post, saying:

"I would inform Mr. Khrushchev, if he does not now know it, that the independent family farm was the foundation upon which America's free enterprise economy was constructed" (Sept. 18, 1959, p. A12).

Section 7 is an attack on the family farm, and on small business, too. Some years ago, about the time when Congress was rejecting proposals similar to section 7, made by former Congressman Alfred Elliott and by former Senators Sheridan Downey and William Knowland (H.R. 3961, sec. 4, 78th Cong.; S. 912, 80th Cong.), a study was made com-

paring the effect of family-size and large-scale farming, respectively, on small business in Central Valley, Calif. The Senate Small Business Committee published the results in 1946 under the title "Small Business and the Community: A Study in Central Valley of California on Effects of Scale of Farm Operations." (Report of the Special Committee To Study Problems of American Small Business, U.S. Senate, 79th Cong., pursuant to S. Res. 28, committee print No. 13, Dec. 23, 1946.) On page 5 that report says:

"Certain conclusions are particularly significant to the small businessman, and to an understanding of the importance of his place in a community. Not only does the small farm itself constitute small business, but it supports flourishing small commercial business.

"Analysis of the business conditions in the communities of Arvin and Dinuba shows that—

"(1) The small farm community supported 62 separate business establishments, to but 35 in the large-farm community; a ratio in favor of the small-farm community of nearly 2:1.

"(2) The volume of retail trade in the small-farm community during the 12-month period analyzed was $4,383,000 as against only $2,535,000 in the large-farm community. Retail trade in the small-farm community was greater by 61 percent. (See figure and table, pp. 83 and 84.)

"(3) The expenditure for household supplies and building equipment was over three times as great in the small-farm community as it was in the large-farm community.

"The investigation disclosed other vast differences in the economic and social life of the two communities, and affords strong support for the belief that small farms provide the basis for a richer community life and a greater sum of those values for which America stands, than do industrialized farms of the usual type."

Introducing the Arvin-Dinuba study, the chairman of the Senate committee said:

"The bearing on the American way of life which is all-important to all of us who seek to see the virility of this Nation go on unimpaired, is at once apparent. I submit this study to the Senate Small Business Committee, to the United States Senate, and the citizens of this country, feeling that it further indicates the importance of independent small-scale business as the cornerstone of our American economic system of free enterprise."

It is surprising that the attempt to escape from a policy so fundamental, while accepting benefits from generous public appropriations, could have advanced so far. Last May, a Senator described the Senate measure companion to section 7 of H.R. 7155 as a proposal for "one of the greatest land steals in the history of this Nation." (CONGRESSIONAL RECORD, vol. 105, pt. 6, p. 7849.)

If Daniel Webster knew the dangers of concentrated landownership in 1820, and Abraham Lincoln knew them in 1862 when he signed the Homestead Act, Theodore Roosevelt knew them also when he inspired the 160-acre limitation in the Reclamation Act he signed in 1902. A few years afterwards, when in San Francisco, he told the Commonwealth Club of California:

"Now I have struck the crux of my appeal [for the excess land law]. I wish to save the very wealthy men of this country and their advocates and upholders from the ruin that they would bring upon themselves if they were permitted to have their way. It is because I am against revolution; it is because I am against the doctrines of the extremists, of the Socialists; it is because I wish to see this country of ours continued as a genuine democracy; it is because I distrust violence and disbelieve in it; it is because I wish to secure this country against ever seeing a time when the 'have-nots' shall rise against the 'haves'; it is because I wish to secure for our children and our grandchildren and for their children's children the same freedom of opportunity, the same peace and order and justice that we have had in the past." (7 Transactions of the Commonwealth Club 108 (1912–13).)

Today, more even than a domestic issue of internal stability is raised by section 7. At stake, also, is the image of ourselves as a Nation that we wish to project to the world. Eight years ago Senator PAUL DOUGLAS, of Illinois, wrote to a Secretary of the Interior:

"The great landowners of the Kings River and Tulare Lake area apparently have not hesitated to seek public appropriations for their own benefit while deferring and possibly defying compliance with a law they should be proud to support. The President, on the other hand, has wisely declared maintenance of the family farm to be our national policy at home and abroad. Land reform has become one of our main instruments for stopping the spread of international communism and maintaining our national security. * * * Whatever we do on Kings River, therefore, will be subjected to the most searching examination of all who realize that our policy must now meet the test in our own country as well as in foreign lands." (CONGRESSIONAL RECORD, vol. 98, pt. 7, p. 9181.)

Why should Congress allow itself to be persuaded now at San Luis, Calif., to nullify the policy and law it enacted for the benefit of the entire Nation, including California?

Sincerely yours,

PAUL S. TAYLOR.

I also wish to add one further insertion, Mr. Chairman, which is a detailed statement explaining the views on this legislation of the California State Labor Federation, AFL–CIO:

STATEMENT BY CALIFORNIA STATE LABOR FEDERATION, AFL–CIO

The California Labor Federation, AFL–CIO, is deeply concerned by what appears to be a three-pronged attack in Sacramento and Washington to thwart the aims of Federal water policy and allow future irrigation projects in California to fall under the control of the the few corporate absentee owners who hold huge tracts of land in the San Joaquin Valley.

This three-pronged attack is manifested in the following:

1. The San Luis legislation now being considered by the House Rules Committee.

2. The irrigation repayment contract which Secretary of the Interior Fred Seaton has recently offered to districts in the Pine Flat service area.

3. Water legislation passed by the California State Legislature.

These three drives are not necessarily coordinated, but, significantly, each of them would serve the same end: Monopolization of irrigation water furnished by public moneys.

SAN LUIS LEGISLATION

On April 24, 1959, this organization mailed to all Members of Congress an analysis (enclosed) of the San Luis bills. Since that time, one of the bills, S. 44, has been passed by the Senate with one of the key amendments suggested in our earlier statement (deletion of section 6a). Meanwhile, H.R. 7155 has cleared the House Interior Committee, and is now in the Rules Committee. H.R. 7155 is virtually the same bill as H.R. 5687 which is analyzed in our enclosed statement. The most objectionable feature which appeared as section 6 in H.R. 5687 shows up in H.R. 7155 as section 7.

We were pleased to discover that some of the objectionable language in section 3h has been removed, but that sections 3f and 3g have not been improved.

Without repeating the substance of our previous statement, we would like to emphasize that none of the language to which we have objected is necessary in this bill. The bill is complete without it, the legal framework for a cooperative State-Federal project already exists in present Federal reclamation law and, finally, the inclusion of this language can only serve to confuse and confound existing law to the sole advantage of the larger landowners, some of whom right now are on the verge of evading the aims of reclamation law in Pine Flat service area.

PINE FLAT SERVICE AREA

Secretary of Interior Fred Seaton has recently offered to the local districts receiving irrigation water from Pine Flat Dam repayment contracts which would allow them to sidestep compliance with the so-called 160-acre limitation (actually the 320-acre plus limitation) by prepaying the charges allocated for irrigation, but not, of course, all the charges involved.

In offering to exchange policy for cash by this prepayment doctrine, Secretary Seaton relies on an obtuse interpretation of reclamation law. But he fails to recognize that:

1. This interpretation runs counter to the strongly expressed legislative intent of the law. The framers of reclamation law planned to erect a permanent barrier against water monopoly. One that is not for sale.

2. On two occasions (in 1950 and 1951) legislation was introduced to permit the type of Pine Flat contracts Seaton is now proposing. Congress did not pass on either bill, so Secretary Seaton in 1959 is acting without legislative authority and in contradiction to the intent of the law which is supposedly designed to insure widespread distribution of the economic benefits of public financed water projects.

About 25 percent of the 1 million acres in the Pine Flat service area is excess land—land which should not receive water from Pine Flat unless the owners agree to abide by the acreage limitation. Incidentally, the dam has been completed for 5 years, and for 5 years the irrigation water furnished therefrom has been distributed with total disregard for the so-called 160-acre limitation. All the while, the large landowners have bickered over contract terms.

The pattern of land holdings in this area breaks down like this: Some 5,900 owners hold no excess land (no more than 160 acres per owner) while a mere 52 farmers own 196,466 excess acres.

In the Federal service area of the San Luis project, 66 owners hold about 70 percent of the project's 450,000 acres.

The Pine Flat and San Luis situations are closely related for two reasons:

1. The interpretation of the law which Seaton falls back on at Pine Flat is the same as one of the arguments which supporters of the San Luis legislation are using to buttress their claim that the Federal law cannot be applied to the alleged State part of the project. They say the State will be paying its share of the project as construction proceeds, therefore, the prepayment doctrine, which would free water from regulation once allocated charges are paid, in this case would free State water from regulation.

Supporters of H.R. 7155 also argue that the alleged State part of the project is a separate venture. Of course, if this were strictly true, the Federal law could not apply. But the very fact that these advocates find it necessary to include special exemptions in their bill and the fact that they rely so heavily on Seaton's unsubstantiated interpretation (see House report, pp. 11–16) seems to indicate that even they have some grave doubts about the existence of any separate State project.

This conclusion seems inescapable: The special language in San Luis legislation and

Seaton's ruling on Pine Flat are desired by certain interests to evade application of Federal reclamation law as concerns Federal facilities. We appreciate the fact that some of those supporting H.R. 7155 have accepted the questionable language as the price they must pay to gain support from certain interests in California. We do not doubt the sincerity of these men, but we cannot accept their assurances, and we do not believe that the whole framework of future California water development should be lashed to their political commitments.

2. The Pine Flat and San Luis situations are also closely related because many of the same corporate interests who hold huge acreages in the Pine Flat service area also have giant holdings in both the State and Federal service areas of the San Luis project which is right next door. If these interests will negotiate and stall on Pine Flat to avoid the law—as they successfully have—we certainly can expect they will resort to the same tactics on San Luis. The language of the San Luis legislation should be direct and minimal, not devious and rambling. It should be such that all reasonable men who understand reclamation law are not at odds as to just what every sentence means.

STATE WATER LEGISLATION

Some supporters of H.R. 7155 are taking a "let George do it" attitude in regard to antimonopoly and antispeculation controls. Rather than assert Federal authority, they apparently maintain the fiction of an independent State project, succumb to the lure of States rights, and design language which limits, and in part repeals Federal authority.

We are told that the provisions in the San Luis bill for State participation relate to an entirely independent project, and that the Federal Government cannot enforce its regulations. We do not know of any lateral barrier being planned in the San Luis Dam that will separate Federal water from State water, and prevent the latter from touching Federal concrete. On the contrary, it is our understanding that water for Federal deliveries is to be pumped to the San Luis Dam in the winter, and that as this water is used for irrigation in the summer, the State would have direct planned use of the federally financed portion of the dam. Again we note that the supporters of H.R. 7155, who hold to the States rights point of view, find that to maintain this position, they must write special provisions into the Federal bill to make sure the Federal law will not apply to a State project.

The full significance of this argument is revealed by the action—or more accurately the inaction—of the California Legislature.

The history of the California Legislature is consistent in efforts of the body to evade the application of Federal reclamation law to California projects. This history dates back to the period when the Federal Government assumed the responsibility for construction of the Central Valley project, and specifically to 1944, when the legislature adopted a resolution memorializing Congress to adopt the Elliott rider to the Rivers and Harbors Act, designed to remove the application of the excess lands law to the Central Valley project (SJR 1, filed with the secretary of state, June 15, 1944, ch. 24, statutes of California, 4th extra session of the 55th legislature.)

In the failure of the California Legislature to secure exemptions for monopoly landholders in Federal law, it has nevertheless left the door open for these monopoly forces to use the State as a vehicle for undoing Federal reclamation law.

This year several important water measures were passed by the California Legislature. None of them, however, contained any type of acreage limitation or public power preference. The most important measure was the passage of S. 1106, the Governor's $1.75 billion bond issue program, which will be submitted to the voters next fall. Unsuccessful efforts were made in both houses of the California Legislature to incorporate antimonopoly protections. The amendments were not supported by the State administration or the sponsors of the bill. During debates, claims were made that this was not the time to consider protections against enrichment and monopolization of benefits. A later date was suggested—some vague later date before water delivery. Those of us familiar with the evasions at Pine Flat Dam and the history of the Central Valley project generally, find it difficult to be convinced by such vague assurances.

Further, we are not unmindful of the decision of the California Supreme Court which upheld the efforts of monopolists in this State to undo reclamation law. While the U.S. Supreme Court reversed the State court decision in the application of the 160-acre limitation in the Central Valley project, there is no assurance that anything short of a State constitutional amendment, requiring two-thirds vote in the legislature, would prevent the invalidation of a State acreage limitation.

In summary, therefore, when we add up the questionable language in H.R. 1755, the machinations at Pine Flat Dam and the aloofness of the State legislature, we see a major threat to Federal water policy, dire consequences for working people, small farmers and small businessmen, and an erosion of independent economic political action in the great Central Valley of California.

We are taking this opportunity, therefore, to respectfully urge Congress to (1) amend H.R. 7155 along the lines suggested by the enclosed statement previously submitted to Congress, and (2) protest Secretary of Interior Seaton's proposed contracts for evasion of reclamation law in the service area of Pine Flat Dam.

California is truly at the crossroads in the development of its water and power resources. The decisions immediately before Congress will give direction to the future growth of California for years to come. We in California labor place our trust in the men of vision and integrity who are our elected representatives, to make the decisions which will insure the development of California's water and power resources in a manner consistent with the widest possible distribution of the benefits of such development.

Mr. LIPSCOMB. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. LIPSCOMB. Mr. Chairman, I rise in support of H.R. 7155 as reported by the House Committee on Interior and Insular Affairs. The San Luis Dam is a vital link in the California water plan and I deem it of vital importance that the bill be speedily enacted into law.

I am in agreement with the committee action in setting forth, in section 7, that Federal reclamation laws shall not apply to an area served by a State water facility.

Section 7 does not change the Federal reclamation laws. It merely attempts to state in clear, unmistakable language that just because there would be joint Federal-State use of a common water storing facility, that such a situation for no reason gives rise to a right to impose Federal law on the State part of such facility.

The Congress in my view would not be fulfilling its duty if it failed to provide this expression of policy for the guidance of the Federal Government, the State of California, the courts, and others, in any future decision that may be given or negotiations that will take place concerning this unique joint facility.

To fail to do so on the part of the Congress could cause unreasonable and unnecessary delay and confusion in putting this facility into use and in any decisions that may need to be made concerning the relative rights in regard to the project.

I wish to again strongly urge the House of Representatives to approve H.R. 7155 as reported by the Committee on Interior and Insular Affairs.

Mr. SISK. Mr. Chairman, I ask unanimous consent that the gentleman from California [Mr. MOSS] may extend his remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. MOSS. Mr. Chairman, in supporting H.R. 7155, as introduced by Congressman SISK, I should like to stress that the San Luis Dam and Reservoir is not just another worthwhile project in my State; it is central and necessary to the sound development of California's vast water program which stretches from the Siskiyou Mountains on the north to the Mexican border on the south.

As I am sure you all appreciate, California's water problems have become more complicated and critical as its population has skyrocketed. The State's population now is more than 15 million and that figure is being increased daily by thousands. In something like 8 or 9 years, California, beyond doubt, will be the most populous State of the Union.

Time, therefore, is an increasingly important factor in our water situation.

As some of you know, the big difficulty waterwise in my State is that about two-thirds of its water resources are in the northern half of the State, where only one-third of the arable land lies, and about two-thirds of the arable land lies in the southern half of the State, which enjoys only one-third of the water resources.

The operation of the Federal San Luis unit would conserve and regulate surplus wintertime water now wasting away down the Sacramento River to the Pacific Ocean and make it usable, along with additional Central Valley project water from storage, in the water-deficient San Joaquin Valley to the south.

Water thus made available would provide a supplemental supply for the irrigation of about 480,000 acres of fabulously rich land on the west side of the San Joaquin Valley. It would also give some sorely needed domestic and municipal water to towns in this area, as well as providing important benefits to recreation and to the propagation of fish and wildlife.

As far as they serve the Federal San Luis service area, this project's works would be integrated physically and financially with other features of the

great Central Valley project to help move the rain from north to south in California.

By any rule the San Luis project, with a benefit cost ratio of 2.5 to 1 is an outstanding reclamation project. Not only will it save more than 400,000 acres of land from reverting to desert, but it will contribute many millions of dollars annually in net crop earnings to the Nation's economy, with which to buy the goods, services and products of other States.

In this connection, I might point out that the total gross farm income from the San Luis area is $75 million annually. Thus, it seems obvious that construction of San Luis would mean more markets and more jobs for many more people than are presently employed in this area. On the other hand, failure to build it would result in a large annual loss to the Nation's economy.

For several years, preparation of satisfactory San Luis legislation has been complicated by the fact that the development involves joint use by the Federal Government and the State of California of the proposed San Luis Reservoir and certain other project facilities. The joint use plan, provided for in Mr. SISK's bill, is the outcome of a situation in which both the Federal Government and the State found themselves proposing projects utilizing the same reservoir site. That is to say, California's $1.75 billion Feather River project calls for storage at the San Luis site and so does the Bureau of Reclamation's plan for the San Luis unit of the Central Valley project. The engineers seem to be in agreement on the fact that the San Luis Reservoir site appears to be the only adequate and feasible storage site in the area.

H.R. 7155 provides a new concept for Federal-State cooperation in water conservation. It is not hard to understand, therefore, the concern that has been expressed by some individuals and groups lest the large land owners in the San Luis service area might in some way be exempt from the land limitation provisions of the Federal reclamation laws.

The Interior and Insular Affairs Committee of the House gave careful consideration to all the views and comments it received along this line and amended the bill in several respects. The committee has announced that it wishes to make it unmistakably clear that the Sisk bill as reported requires the operation of the Federal San Luis unit under Federal reclamation law, including the excess land provisions thereof, and that there is no way the large landowners in the Federal San Luis service area can avoid compliance with such provisions.

Section 7 of this bill provides that the Federal reclamation laws shall not be applicable to areas served by the State of California. It is my conviction that section 7 should never have been put into the bill inasmuch as it does not in any way change the law as it is presently written, and only raises issues which tend to cloud the more important aspects of the legislation.

Since I view the section as unnecessary and without point, I support the San Luis legislation without section 7.

If, however, a move to strike section 7 is defeated, I shall support the measure with the section included.

Mr. ASPINALL. Mr. Chairman, I yield 8 minutes to the gentleman from Vermont [Mr. MEYER].

Mr. MEYER. Mr. Chairman, I ask unanimous consent to proceed out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Vermont?

Mr. YOUNGER. Mr. Chairman, I object.

Mr. ASPINALL. Mr. Chairman, I ask that the Clerk read.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That for the principal purpose of furnishing water for the irrigation of approximately five hundred thousand acres of land in Merced, Fresno, and Kings Counties, California, hereinafter referred to as the Federal San Luis unit service area, and as incidents thereto of furnishing water for municipal and domestic use and providing recreation and fish and wildlife benefits, the Secretary of the Interior (hereinafter referred to as the Secretary) is authorized to construct, operate, and maintain the San Luis unit as an integral part of the Central Valley project. The principal engineering features of said unit shall be a dam and reservoir at or near the San Luis site, a forebay and afterbay, the San Luis Canal, the Pleasant Valley Canal, and necessary pumping plants, distribution systems, drains, channels, levees, flood works, and related facilities, but no facilities shall be constructed for electric transmission or distribution service which the Secretary determines, on the basis of an offer of a firm fifty-year contract from a local public or private agency, can through such contract be obtained at less cost to the Federal Government than by construction and operation of government facilities. The works (hereinafter referred to as joint-use facilities) for joint use with the State of California (hereinafter referred to as the State) shall be the dam and reservoir at or near the San Luis site, forebay and afterbay, pumping plants, and the San Luis Canal. The joint-use facilities consisting of the dam and reservoir shall be constructed, and other joint-use facilities may be constructed, so as to permit future expansion; or the joint-use facilities shall be constructed initially to the capacities necessary to serve both the Federal San Luis unit service area and the State's service area, as hereinafter provided. In constructing, operating, and maintaining the San Luis unit, the Secretary shall be governed by the Federal reclamation laws (Act of June 17, 1902 (32 Stat. 388), and Acts amendatory thereof or supplementary thereto). Construction of the San Luis unit shall not be commenced until the Secretary has (1) secured, or has satisfactory assurance of his ability to secure, all rights to the use of water which are necessary to carry out the purposes of the unit and the terms and conditions of this Act, and (2) received satisfactory assurance from the State of California that it will make provision for a master drainage outlet and disposal channel for the San Joaquin Valley, as generally outlined in the California water plan, Bulletin Numbered 3, of the California Department of Water Resources, which will adequately serve, by connection therewith, the drainage system for the San Luis unit or has made provision for constructing the San Luis interceptor drain to the delta designed to meet the drainage requirements of the San Luis unit as generally outlined in the report of the Department of the Interior, entitled "San Luis Unit, Central Valley Project," dated December 17, 1956.

Mr. ASPINALL. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. THOMPSON of Texas, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 7155) to authorize the Secretary of the Interior to construct the San Luis unit of the Central Valley project, California, to enter into an agreement with the State of California with respect to the construction and operation of such unit, and for other purposes, had come to no resolution thereon.

ANNOUNCEMENT

Mr. BRADEMAS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. BRADEMAS. Mr. Speaker, along with a number of colleagues I was not present for the session on Monday, May 2, 1960, because of the assurances that many of us had received that, due to the Indiana primary on May 3, there would be no RECORD votes.

Because of circumstances with which we are all now familiar, there were RECORD votes on May 2 and many Members, including myself, were not present.

Mr. Speaker, I should like to announce that, had I been present on May 2, I would have voted "yea" on rollcall No. 62, on the passage of H.R. 10596, legislation to change the method of payment of Federal aid to State or territorial homes for disabled veterans of the United States. This bill was passed by a vote of 265 to 0, with 165 Members not voting.

I should also like to announce that, had I been present, I would have voted "yea" on rollcall No. 63, on the passage of House Concurrent Resolution 633, a resolution expressing the hope of Congress that the President "pursue energetically" at the summit conference the restoration of fundamental freedoms and basic rights to the people of the captive nations of Eastern and Central Europe. This resolution was passed by a vote of 276 to 0, with 154 Members not voting.

NATIONAL MILK SANITATION BILL

Mr. JOHNSON of Wisconsin. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. JOHNSON of Wisconsin. Mr. Speaker, I have been working for the past 4 years on ways of eliminating the

use of sanitary regulations as trade barriers against the free flow of high quality milk from State to State.

During the 85th Congress, I introduced a bill aimed at this objective. Hearings were held on this measure in 1958 by the House Interstate and Foreign Commerce Committee, and the testimony at those hearings proved very useful in pointing out some of the weak spots in the proposed legislation. Before submitting my new national milk sanitation bill, H.R. 3840, I consulted with public health officials to iron out those difficulties.

H.R. 3840, which is identical to S. 988, follows the recommendations of the Association of State and Territorial Health Officers. As the name implies, this association is composed of the chief health officials in each State and territory. In 1957, the association set up a committee to study the matter of Federal milk sanitation legislation, and, a year later, issued an official report titled "Need and Recommended Principles for Federal Milk Sanitation Legislation."

This report states:

> The association believes that there is need to strongly reaffirm that the sanitary control of fluid milk and fluid milk products is a public health matter which is primarily the responsibility of State and local governments, except where interstate commerce is involved.

Mr. Speaker, H.R. 3840 and S. 988 are in full agreement with the principle set forth by the Association of State and Territorial Health Officers. This legislation seeks only to provide unrestricted interstate markets for milk of the highest sanitary quality by eliminating the use of capricious and arbitrary pseudo-health regulations to keep high quality milk out of monopolized local markets.

Being a public health and general welfare measure, national milk sanitation legislation has drawn bipartisan support. In the House, 9 other Democrats and 10 Republicans have joined me in introducing the bill. On the Senate side, the measure is being sponsored by Senators HUMPHREY and MCCARTHY of Minnesota and Senators PROXMIRE and WILEY of my home State of Wisconsin.

Under the provisions of the proposed milk sanitation legislation, a Federal Milk Sanitation Code which would be at least the equivalent of the U.S. Public Health Service's proven milk ordinance and code would become the quality yardstick for milk shipped in interstate trade. Fluid milk and fluid milk products meeting the standards of this Federal milk code could not be kept out of interstate trade because of varying local health rules.

Mr. Speaker, the measure would provide an effective means of eliminating barriers to the interstate shipment of high-quality milk resulting from unduly restrictive sanitation regulations and differing inspection requirements. This would be accomplished without displacing the existing local systems. The force of Federal law would be applied only where health regulations or enforcement practices are being used to unnecessarily obstruct the interstate marketing of wholesome milk of high sanitary quality.

At the same time, the States and municipalities would retain the right to inspect the interstate milk upon arrival to make sure it had not deteriorated in transit. From there on, the handling, processing and sale of the interstate milk would have to meet the requirements applied to milk entering the market from sources inside the State. Since the bill does not contain an "affects interstate commerce" clause, the measure would not deprive States and local communities of the right to exercise full sanitary control over their intrastate milk supplies.

National milk sanitation legislation would utilize, subject to U.S. Public Health Service checks, the existing system of State and local milk sanitation services for supervision, inspection, laboratory control, rating, and certification of interstate milk supplies. A minimum of Federal expenditure would be required to monitor certifications made by the States and to support certain other services such as training, research, and development of standards.

Mr. Speaker, some critics of national milk sanitation legislation have advanced the theory that it would be detrimental to the quality of the milk sold in their markets. These critics reason that the Federal standards to be established under the bill might not be adequate to protect the health of their citizens.

The bill provides that the Federal standards shall be at least the equivalent of the high health standards now contained in the Milk Ordinance and Code recommended by the U.S. Public Health Service—which is the watchdog of our public health. At the present time, 36 States and some 1,900 local jurisdictions have voluntarily adopted this model milk code or one based on its provisions. Some 75 million people drink milk produced under conditions spelled out by the U.S. Milk Code. In addition, it is used as the quality standard for milk purchased by our Armed Forces. Surely a body of health regulations in such general use cannot be notably deficient in providing for adequate health protection of our citizens.

On April 26, 27, and 28, the Health and Science Subcommittee of the House Interstate and Foreign Commerce Committee held hearings on my H.R. 3840 and the milk sanitation bills introduced by 19 of my colleagues. We received favorable support from the Department of Health, Education, and Welfare; the Department of Commerce; the Bureau of the Budget; the Association of State and Territorial Health Officers; the National Consumers League; the General Federation of Women's Clubs; the Connecticut Milk Consumers Association; State boards of health; dairy equipment manufacturers; and many farm and dairy groups.

Mr. Speaker, in contrast to the wide range of persons and groups who appeared in support of the measure, the opposition was limited mainly to representatives of eastern fluid milk producer groups, farm groups from the same area, and a few State departments of agriculture. In going over their testimony, I found that 16 objections to the legislation are mentioned most frequently. I have gone over these 16 objections with experts in the general field of milk sanitation, and at this time, I would like to answer the objections point by point. They are as follows:

Objection 1: There is not enough evidence to show that health regulations have been unduly restrictive.

Answer: Considerable evidence indicates that on numerous occasions the sanitation or health requirements of a local milkshed have been used to keep out milk from another area. The U.S. Public Health Service has compiled such evidence, as has the U.S. Department of Agriculture. The experience of numerous milk cooperatives and milk plants shows that health regulations in truth have been, and are being used as trade barriers. This usually occurs during the time of the year when a surplus of milk exists in the locality. At times when there is a shortage of milk in the same locality, no questions are raised about the quality of milk shipped in from another State.

Frequently these out-of-State milk supplies are prevented from entering a local market by verbal interpretation of existing laws or regulations. This makes it difficult for out-of-State firms to appeal such a decision through the courts.

Objection 2: Such a law would lower the milk sanitation standards in receiving areas.

Answer: A comparison was recently made between the Milk Ordinance and Code recommended by the U.S. Public Health Service and the milk sanitation laws and regulations of some of the States which do not follow the Public Health Service's regulations. This comparison of milk sanitation standards revealed that these States either failed to cover many sanitation items of significant public health importance, or else referred to these items in general terms rather than in specific terms contained in the Public Health Service's Milk Ordinance and Code.

This code has been tried and proven over the years throughout the United States. A 90 percent compliance with the provisions of the code, as is required by this bill, would produce the highest quality milk, the safety of which would be above question.

Objection 3: The provisions of this bill would deprive States and municipalities of their police powers over milk sanitation and so would violate States' rights.

Answer: The Federal Government has the right to control interstate commerce, and this bill deals only with the interstate shipment of milk. The measure does not deprive the receiving State or municipality of the right to exercise its police power, inasmuch as section 808(b)(1) of the bill gives the receiving jurisdiction the right to subject the milk upon arrival to laboratory or screening tests. If the milk fails to comply with bacterial counts, temperature, and composition standards and other criteria of the Federal Milk Code, the receiving jurisdiction retains the power to reject the milk.

Objection 4: The Federal Government would force States and municipalities to accept milk inspected by other States and municipalities.

Answer: As I have pointed out in the answer to objection 3, the receiving States or municipality would still have the right to reject milk from another area if such milk, when checked upon arrival, did not meet the prescribed standards. I can see no public health reason why one State would object to receiving milk from another State if the milk was of the same or higher quality than that produced in the receiving area. If the State does object to receiving high quality milk from another State, then the objecting State is obviously misusing its health regulations as trade barriers.

Objection 5: The bill would provide for no uniformity of rating.

Answer: The measure authorizes the Surgeon General to establish regulations for the purpose of rating, certification and listing of interstate milk shippers. He would also approve a State plan to provide for reliable ratings; train State and local personnel; and cooperate with State milk sanitation authorities in the development of improved programs for the control of the sanitary quality of milk.

Under this authorization, frequent spot checks would be made of listed shippers; in-service training programs would be conducted for State milk sanitation rating officers; and field observations would be made of State program activities. All of this will enable the Public Health Service to attain a high degree of uniformity among the various State personnel making milk sanitation ratings.

Objection 6: National milk sanitation legislation would nullify the effect of Federal milk marketing orders.

Answer: H.R. 3840 and S. 988 would have no effect on the Federal milk marketing orders issued by the U.S. Department of Agriculture, as these bills are not designed to affect or control or adjust the prices paid for milk.

Objection 7: The bill would require Federal inspection which would duplicate work already being carried out by local authorities.

Answer: This measure clearly states that routine inspection of milk supplies would be made by local authorities, and that the rating of these supplies would be made by the State rating survey officials. This same arrangement is now being successfully carried out under the voluntary interstate milk shippers program. Thus, there would be no duplication of inspection efforts. However, spot checks would be made by the Surgeon General for the purpose of checking on the quality of the local inspection services and the adequacy of the State certifying methods and rating officials.

Objection 8: In reality, this bill is an economic one traveling under the guise of a health bill.

Answer: Actually, the shoe is on the other foot. The States and municipalities which refuse to accept high-quality milk from other areas are utilizing health regulations to achieve the economic advantage of a monopoly on the milk market. The purpose of this bill is to prevent the unwarranted use of sanitary regulations for economic gain. Health rules should be used only to protect the public health, not for the protection of local monopolies.

Objection 9: If a plant were being discriminated against by a local health authority, the plant would be able to get relief through the courts under the present rules and regulations without the need of a National Milk Sanitation Act.

Answer: It is true that many milk plants have won court cases against restrictive local rules and regulations hindering the movement of milk in interstate commerce. However, taking a case of this kind to court is time consuming and expensive. Therefore, many plants prefer to seek a market elsewhere rather than put up with the long delays and expense involved in fighting a local restrictive ordinance. This bill would provide relief for many of these areas and permit the sale of high-quality milk wherever there is a need for additional milk.

Objection 10: The bill would give a State the power of determining whether or not its own milk supply is fit for shipment and consumption in interstate commerce.

Answer: While the State of origin would make the rating of the milk, the State inspectors would have to apply the Federal Milk Code in doing the rating. Before the milk for interstate shipment could be certified, it would have to achieve a 90-percent compliance with the provisions of that code. The entire program would be under the watchful eye of the Surgeon General. He would insure the integrity and reliability of the program through approval of the State rating plans; training and certification of State rating officers; spot checks of the plants and their milk supply to verify the compliance ratings; and exclusions or removal of a plant from the list of certified shippers if he finds the plant is not entitled to certification.

Objection 11: Such a measure would create a new Federal bureaucracy at high cost with no good purpose.

Answer: This legislation does not propose to create any new Federal bureaus. It would utilize the existing program and personnel in the Public Health Service, which is now carrying on a voluntary interstate milk shipment program at a very nominal cost.

Objection 12: Local inspectors would have no concern of milk to be shipped to another State.

Answer: Since many plants depend upon the shipment of milk to out-of-State areas, the plant operators are very anxious to obtain certification and approval of these supplies. They would be very much interested in obtaining approval of these sources through their State rating authorities.

Furthermore, if the entire milkshed met the minimum sanitation requirements under the proposed act, and this plant was listed and certified as an approved shipper for interstate commerce, any or all of the milk being produced by this plant could be shipped in interstate commerce. Since the plant operator would never know when he would receive a request for a shipment of milk, he would want to keep his supply on a continuous approval status for shipment in interstate trade.

Experience in the voluntary interstate milk shipment program has shown that the local inspectors are very anxious to maintain high standards for the milk shipped out of a State. The integrity of the inspectors as well as the integrity of the milk supply is involved in this.

Objection 13: Milk transported over long distances must be older than nearby milk, and milk does not improve with age.

Answer: When making this statement, the opponents of milk sanitation legislation are talking about the horse and buggy days, not 1960, with its modern transportation and refrigeration methods. Many tests have proved that milk properly produced and refrigerated at 35 to 40 degrees can be held for long periods of time without deterioration or loss of quality. When milk is handled under these conditions, it is impossible to tell the difference between milk that is a day old and milk which is a week old.

Objection 14: Supporters of the bill are interested in only one objective, which is to sell surplus milk from their own areas in other markets.

Answer: Of course we want to be able to sell our high-quality milk in interstate trade. Is there any reason why top-quality milk should not be shipped from one State to another? The supporters of this bill feel most strongly that trade barriers should not be disguised as health regulations.

Objection 15: This bill would lower the standards so that midwestern producers could sell milk in other markets without meeting established health requirements.

Answer: This statement is incorrect because a large portion of the midwestern areas are now using the Public Health Service's Milk Ordinance and Code as the standard for their milk laws and regulations.

Objection 16: Under this bill, the inspection of milk to be approved for interstate commerce is left up to the State and localities. Ratings on which the Surgeon General's approval is based are carried out by these agencies, although he cannot check on their activities. It appears odd that a man would rate his own work.

Answer: It is true the bill provides that inspection and supervision will be performed by the milk sanitation personnel of the States in which the milk supply is located. However, for a supply to be eligible for certification, the supervision and inspection, as well as the laboratory control, must be performed in accordance with the high standards of the Federal Milk Sanitation Code. State and local codes would not be used.

In addition, the Surgeon General would have the authority to check on the activities of the State and local health departments. The bill contains numerous provisions which the Surgeon General must carry out in order to assure the integrity and reliability of the system.

In regard to the charge that an inspector would rate his own work, this would not be the case. Ratings for certification would be made only by the State milk sanitation rating officers, who would have no responsibility for supervisory activity.

Mr. Speaker, this concludes my review of the 16 principal objections brought up by the opponents of national milk sanitation legislation. As I have pointed out, these objections do not hold water when compared with the facts in the case.

LEGISLATION IN THE SAVINGS AND LOAN FIELD

Mr. SPENCE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. SPENCE. Mr. Speaker, I have today introduced a bill to make permanent the existing law restricting holding companies in the savings and loan field. Legislation enacted last year was of a temporary nature, expiring May 31, 1961.

My bill to strike the termination date and make the law permanent has the support of the United States Savings and Loan League, the National League of Insured Savings Associations, and the California Savings and Loan League—the State in which most of the holding companies operate. I have been advised that the holding companies themselves have discussed my proposal and have agreed to support it—without amendment. Thus, all of the interested elements in the savings and loan business are in favor of this legislation. The bill also has the approval of the Federal Home Loan Bank Board, the Government agency involved, and the Federal Savings and Loan Advisory Council, created by statute as an advisory agency for the Federal home loan bank system.

Legislation to prohibit holding companies from acquiring control of savings and loan associations was first introduced in 1957. This bill, H.R. 4135, which I introduced, was passed by the House unanimously. Similar legislation was included in S. 1451, the Financial Institutions Act of 1957, and passed by the Senate. However, the latter bill was not passed by the House and hence the savings and loan holding company legislation was not enacted.

Last year identical legislation was again passed unanimously by the House. The bill reached the Senate late in the session and some concern was expressed there that it might cause hardship on some of the savings and loan associations in California. As a result, an amendment was added to the bill in the Senate providing for an expiration date of May 31, 1961, and requiring the Board to submit a report to Congress concerning savings and loan holding company operations. The purpose of this amendment was to give an opportunity to review the actual impact and operation of the law.

We now know that the law is accomplishing the desired objective and has prevented the spread of holding companies. The fact that a permanent extension of the law has the support of the savings and loan business, including the holding companies, is good evidence that the law has not caused hardship or inequity to any group. The purpose of my bill is to make this legislation permanent so that all persons involved may plan their operations with greater certainty than is the case with temporary legislation. The bill would also repeal the requirement for a report by the Board, which would serve no useful purpose at this time.

The savings and loan associations of our Nation have rendered a tremendous service in promoting thrift and home ownership. They are the largest single source of housing credit, making 40 percent of all the home loans in the country. They are typically local institutions, managed and operated by men and women living in the community and deeply interested in the community's welfare. It would change the character of these institutions were holding companies to become an important or dominant feature of the savings and loan business. The legislation enacted last year prevents holding companies from acquiring more than 10 percent of the stock of more than one insured association. My bill would make this important law permanent and I hope the Congress will enact it speedily.

DISCHARGE PETITION ON NATIONAL FAIR TRADE BILL—H.R. 1253

Mr. HARRIS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. HARRIS. Mr. Speaker, I have filed today with the Clerk of the House a motion to discharge the Committee on Rules from the further consideration of House Resolution 521, a resolution providing for the consideration of the bill, H.R. 1253, a bill to amend the Federal Trade Commission Act, as amended, so as to equalize rights in the distribution of merchandise identified by a trademark, brand, or trade name.

H.R. 1253 was reported to the House by the Committee on Interstate and Foreign Commerce by a vote of 20 to 9 and the report was filed on June 9, 1959. I immediately requested the Committee on Rules to arrange for a hearing on this bill and a brief hearing was held on August 3, 1959. On April 19, 1960, the Committee on Rules tabled our request for a rule on this legislation.

H.R. 1253 would make it lawful for a manufacturer to establish and control, by notice to his distributors, stipulated or minimum resale prices for his trademarked or brand-named merchandise, if such merchandise is in interstate commerce, or is held for sale after shipment in interstate commerce, and is in free and open competition with merchandise of the same general class produced by others.

The bill would make it unlawful for a distributor with notice of applicable stipulated or minimum resale price on such merchandise to sell, offer to sell, or advertise such merchandise in interstate commerce at a different, or lower price, as the case may be. Any person suffering, or reasonably anticipating, damage by reason of violation of this legislation may sue in any State or Federal court of competent jurisdiction for damages and injunctive relief and be entitled to recover the cost of the suit, including a reasonable attorney's fee.

This bill is for the purpose of aiding small business from the onslaught of unrestrained, cutthroat competition of large chainstores, department stores, and discount houses which have been flourishing as a result of a breakdown of effective State fair trade laws.

I urge the Members of the House to sign this discharge petition.

PROGRAM FOR TOMORROW

Mr. SAYLOR. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. SAYLOR. Mr. Speaker, I take this time to ask the majority leader concerning the program for tomorrow according to his present expectations.

Mr. McCORMACK. I suggest that the committee that is handling the bill presently under consideration be available for a continuation of that bill under the 5-minute rule. I cannot state definitely the program, but I suggest that the committee stand ready.

AIRLIFT SCHEME

Mr. ROBISON. Mr. Speaker, I ask unanimous consent that the gentleman from Nebraska [Mr. CUNNINGHAM] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CUNNINGHAM. Mr. Speaker, recently a Member of the other body made a statement supporting the proposed airlift scheme of the Post Office Department. This proposal would have a severely adverse effect upon the Nation's railroads which are so vital to our economy. This proposal would divert 4-cent letter mail which belongs to the railroads to aircraft and the costs of moving this mail would be greater if this should ever be done.

The Post Office Department does not have legislative authority to expand the airlift of 4-cent letter mail. I have introduced legislation to stop this practice

and to require that all mail moving by air carry the 7-cent postage rate as required by law.

I do not, of course, agree with the position taken by the Member of the other body and I am pleased to insert here a letter written by the president of the American Association of Railroads in answer to the statements which the gentleman has made. The letter which follows very effectively outlines a few of the objections many of us have to the proposed airlift scheme:

ASSOCIATION OF AMERICAN RAILROADS,
Washington, D.C., May 12, 1960.

The Honorable A. S. MIKE MONRONEY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MONRONEY: The CONGRESSIONAL RECORD for May 10, 1960, records your statement in connection with plans of the Post Office Department to divert first-class mail from rail to air transportation.

I am astonished at your charge that the railroads have subjected Members of Congress to an unbelievable barrage of misinformation. I know that the railroad witnesses in public testimony before committees of Congress have correctly stated the effect on railroad passenger train service and revenue of the proposal for flying first-class and other preferential mail.

We have seen the flying of surface mail start in 1953 between Chicago, New York, and Washington; early in 1954, Jacksonville, Miami, and Tampa were added; later in 1954 it was extended along the west coast; this year it has been expanded to include Atlanta, Detroit, Cleveland, and Pittsburgh; and it is now proposed to extend this to all major cities throughout the United States. These cities are among those where the best train service is still available.

In addition to concern over the effect on railroad passenger revenues and service, as a result of eliminating railway postal cars on trains serving these cities, Congress should be concerned about mail service to the more than 11,000 communities and post offices in the United States which are served by rail and not served by air. There are only about 800 air stops in the country. Further, this program will eventually remove the distinction between 7-cent airmail service for those who want to pay for it and the 4-cent regular service for those who have no need for the more costly service. The public then would be deprived of their freedom to choose the more economical mail service provided by rail transportation.

In this connection House of Representatives Report No. 1281, dated February 19, 1960, on page 18, says:

"Any action which would further impair the condition of the railroads as an important element of our national economy would concern every citizen.

"Proposals affecting airlift and surface transportation of the mails involve major considerations of policy and major impacts on the railroads, the airlines, their employees, and the public. These policy questions should be formulated in legislative proposals for separate resolution; they are not a matter for inclusion in an appropriation bill nor for exclusive administrative determination."

In view of the wide interest in this matter, copies of this letter are being sent to Members of the House and Senate Committees on Appropriations, Post Office and Civil Service, and Interstate and Foreign Commerce, as well as to all the Members of Congress who have introduced legislation to prohibit, with certain proper exceptions, any flying of surface mail.

Very truly yours,

DANIEL P. LOOMIS.

NATIONAL POSTAL TRANSPORT ASSOCIATION

Mr. ROBISON. Mr. Speaker, I ask unanimous consent that the gentleman from Wisconsin [Mr. WITHROW] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. WITHROW. Mr. Speaker, as a former member of the House Committee on Post Office and Civil Service and as a lifelong active worker in the railway brotherhoods, I have an unusually strong interest in postal and railway problems.

Accordingly, I have been very much interested in statements emanating from the Post Office Department indicating that railway post office service valued at $2,684,221 annually is to be withdrawn to finance an expansion of the airlift of ordinary first-class mail.

Persons most directly affected by the withdrawal of railway post office service are those employed by the Post Office Department who perform distribution in railway post office cars. Those postal employees are represented by the National Postal Transport Association, formerly known as the Railway Mail Association.

A founder of the old Railway Mail Association is commemorated in my own hometown of La Crosse, Wis., where the local branch of the National Postal Transport Association once was called the Bill Fry branch, and where a Bill Fry banquet is held annually.

Just a few miles away from La Crosse, at Winona, Minn., the remains of one of the Railway Mail Association founders, Bill Fry, have been laid to rest.

The membership cards of each person belonging to the National Postal Transport Association to this day are embossed with the name Bill Fry on the side of the RPO car which is reproduced on the membership card and which serves to identify this loyal group of public servants.

Because of these sentimental reasons and because I have been closely interested in both the Railway Mail Association and now the National Postal Transport Association, I have a very grave concern over the postal service changes either threatened or already under way.

In addition to the Bill Fry heritage, I have had close contacts with the present leader of the National Postal Transport Association, Mr. Paul A. Nagle, and with one other president, Mr. William M. Thomas.

Mr. Thomas headed the National Postal Transport Association from 1949 to 1956. He was a person whom I knew very well and admired greatly.

The tensions associated with the initial activation of the airlifting of first-class mail in 1953 contributed greatly to the untimely death of Mr. Thomas almost immediately after he turned over the reins of office to the person whom he had groomed to succeed him, Mr. Paul A. Nagle, the same person who now heads the National Postal Transport Association with a vigor and determination of which Mr. Thomas will be proud.

Mr. Nagle has faced with quiet courage a systematic program of postal reorganization. To my certain knowledge, he has worked carefully to enlist the aid of friendly congressional people in an effort to stem the tide of needless reorganization. A measure of the progress he has attained is the fact that recently the House Post Office Committee of which formerly I was a member, has scheduled action on the airlift to be taken and hearings to be started on June 14. Now a subcommittee has been assigned to handle the problem and even earlier action may be anticipated.

One of the more tragic overtones of the trend away from railway post office service is that instead of being progressive, the post office in its thirst for change is instead turning the clock back 100 years to the period, ending in 1864, during which mail was concentrated in huge transportation centers.

Railway post office service was inaugurated in 1864. This new service was described in February 1959 in the Postal Service News, official publication of the Post Office Department, as "the answer to a bottleneck in postal service experienced by the Nation in its earlier history."

Until that time, the postal paper reported:

> Mail usually was not sorted until arrival at its post office of destination or a distribution post office along the route, resulting in huge accumulations of mail at such points and in numerous delays.

The Post Office Department is now going back to its earlier bottleneck structure. The nationwide integrated postal service plan, the newest innovation, will set up 62 transportation centers in the 50 States when it is fully in effect.

The final clock-reversing fact is presented in the official announcement of the new plan in which the Department has said:

> Distribution of mail en route would not be a basic requirement of the plan.

The 100-year-old service is still essential.

The railway post office service was only 15 years old when Bill Fry took up his first assignment from Winona to St. Peter in 1869.

Almost immediately Bill Fry was the center of controversy as he qualified for membership card number 10 in the Railway Mail Association and took up the cudgels for reform in the same way that Paul Nagle is doing today.

In the January 1957 issue of the Postal Transport Journal, official organ of the National Postal Transport Association, Mr. Fry is quoted by an ardent admirer, Mr. Lloyd Wilsey, of La Crosse, Wis., as having said of a then current problem:

> That is all a matter of detail which we can settle afterward. The big thing is to get the job done.

The spirit of getting the job done prevails today in the National Postal Transport Association. Paul A. Nagle and his

associates are fighting in true pioneer fashion to protect the Bill Fry heritage in the National Postal Transport Association. The changes of the times have flung some mighty challenges at Bill Fry's successors. With true adaptability they have moved from the railway post office car to the highway post office bus to carry on their fight to deliver the mail in the face of fleeting time.

With calm courage they have reckoned the cost of new ways of working, of fresh affiliations, of reshaped postal unions and have concluded again that "the big thing is to get the job done."

The men of the National Postal Transport Association are the unsung heroes of the postal service. All America owes them a debt of gratitude and I am proud to count them as my friends.

RELATIVE TAXES IN VARIOUS STATES

Mr. ROBISON. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. GOODELL] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. GOODELL. Mr. Speaker, with the possibility of the Calendar Wednesday procedure being invoked tomorrow for consideration of the House Federal aid to education bill, H.R. 10128, I think my colleagues would appreciate having some pertinent information I have compiled on relative taxes in the various States. I have taken as an example a man and wife with two children and a total family income of $5,000 a year. The family automobile is driven 10,000 miles a year and gets 15 miles on a gallon of gas. The husband and wife together smoke a pack of cigarettes a day. They own a house, the actual market value of which is $10,000. They spend $800 a year on items which are subject to a sales tax if there is a State sales tax. They own $1,000 worth of tangible personal property for tax purposes.

The above figures are as close to the average as I could find for a family with a $5,000 income. It is interesting to see how that family would fare if they lived in Meridian, Miss.; Selma, Ala.; Cordele, Ga.; Jamestown, N.Y.; or Bloomfield, N.J. The following table is a partial breakdown by State, of the State and local taxes which such a family would pay. These figures are estimates based upon the rate of taxation which the most recent records available to me reveal. It is impossible to be precise, but I believe these estimates are generally accurate and fair. Following is my own compilation for the guidance of Members in this respect:

State and local taxes of a person with a $5,000 annual income in various States

	State sales tax	State tobacco tax	State gasoline tax	Local and State tangible property tax	State income tax	Local real property tax	Total taxes, State and local
Alabama	$24.00	$21.90	$46.62	$6.50	$27.00	$162.00	$288.52
Arkansas	24.00	21.90	43.29	----------	17.00	70.70	176.89
California	24.00	10.95	39.96	----------	8.00	149.70	232.61
Delaware	----------	10.95	33.30	----------	53.00	72.80	170.05
Florida	24.00	18.25	46.62	----------	----------	123.80	212.67
Georgia	24.00	18.25	43.29	2.50	----------	137.20	225.24
Kentucky	----------	10.95	46.62	----------	38.00	116.30	211.87
Louisiana	16.00	29.20	46.62	5.75	----------	91.20	188.77
Maryland	24.00	10.95	39.96	1.34	54.00	153.10	283.95
Michigan	24.00	18.25	39.96	----------	----------	196.00	278.21
Minnesota	----------	20.07	33.30	----------	114.50	223.50	391.37
Mississippi	24.00	21.90	46.62	----------	----------	117.70	209.22
New Jersey	----------	18.25	33.30	----------	----------	256.80	308.35
New York	----------	18.25	39.96	----------	88.00	278.70	422.91
North Carolina	24.00	----------	46.62	----------	76.00	102.40	249.02
Ohio	24.00	18.25	46.62	.60	17.00	142.40	248.77
Pennsylvania	32.00	21.90	33.30	----------	----------	154.40	231.60

I obtained the figures upon which the above estimates were made from table No. 5 of HEW's Circular No. 605 for October 1959 entitled "Preliminary Statistics for State School Systems, 1957–58"; from the biennial survey of education in the United States by HEW and from the information obtained in the hearings before the Senate and House committees.

APOLOGIES FOR CERTAIN POLITICALLY INSPIRED REMARKS

Mr. ROBISON. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. HIESTAND] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. HIESTAND. Mr. Speaker, in behalf of the people of California I wish to offer apologies to the Congress and this Nation for the politically inspired remarks of our Governor, Edmund Brown, concerning President Eisenhower, Vice President Nixon, and the summit meeting in Paris.

I am chagrined to find that the Governor of my State of California has taken the moment of crisis in international affairs to launch an attack against the Vice President of the United States. Press reports indicate that Governor Brown has said he believes the summit dispute has undermined the prestige of the President and will result in the defeat of the Vice President at the Republican National Convention.

For some time it has been apparent to those of us from California that Governor Brown has slipped badly in public esteem. I feel that this below-the-belt effort, which can only have the effect of giving comfort to our enemies, will result in further revulsion against Governor Brown by the clear-thinking people of California.

I deplore such remarks, Mr. Speaker, and assure you and the Nation that such remarks do not truly represent the sentiments of the vast majority of loyal Californians.

GREEN ACRES FARM PROGRAM

Mr. ROBISON. Mr. Speaker, I ask unanimous consent that the gentleman from Minnesota [Mr. ANDERSEN] may extend his remarks at this point in the RECORD and may include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ANDERSEN of Minnesota. Mr. Speaker, on May 10 it was my privilege to discuss the details of my bill, H.R. 12000, which I introduced on May 2 to authorize a green acres farm program in behalf of our farm economy.

My office has received so many inquiries regarding the proposed legislation that I have arranged to have printed at my own expense copies of the May 10 debate which I plan to send to interested people in my own congressional district. I am asking them to study this proposal very carefully and see for themselves what it would be worth to them.

As pointed out in my earlier speeches on the subject, my bill will take nothing whatsoever away from any farmer which he now has under present law other than the one requirement of the green acres provision. In other words, I have scrupulously protected all of the commodity programs now in effect and, in addition, propose higher levels of price supports which the market will sustain in view of the orderly liquidation of present price-depressing surpluses.

At the time this bill was drafted we did not have available the 1959 Agriculture Census data. Although this information was still not available when I discussed the proposal on the floor, I now have the census data for a few of my counties and would like to briefly explain how the green acres program would work in one particular county.

This county has about 1,150 farms with a total of 232,000 acres of cropland. In 1959, almost 221,000 acres of cropland were harvested and only 224 farms reported a total of 6,300 acres of pasture. Only 80 farms reported 1,700 acres in cover crops. About 95 percent of the cropland in this county produced harvested crops in 1959.

More than 1,100 of these 1,150 farms produced corn, reporting 114,000 acres in corn in 1959 compared with less than 91,000 acres in 1954. This county produced 360,000 bushels more corn in 1959 than in 1954.

In 1960 that county will probably produce at least 3½ million bushels of corn, more than one-half of which will be put on the market for sale with a substantial portion to be delivered to the Government under the price support program.

At best that corn will be worth no more than a dollar a bushel or about $3,500,000.

However, if the principles of my bill are adopted, the results in 1961 will be quite different. Since that county has only 5 percent of its cropland under cover crops, pasture, and so forth, the green acres provision would immediately take at least 15 percent of the cropland—or 34,800 acres—out of crop production. Since one-half of the county's cropland is now producing corn, we can assume one-half of the green acres would come out of corn production and that would represent one-half million bushels less corn to be produced in that county.

Then, with the 80 percent of average yield payment-in-kind offered to farmers taking additional land completely out of production, we might assume an additional 15 percent of total acreage would be retired for a reduction in production of another million bushels of corn.

Note that the application of very conservative estimates to the corn production of this county proves conclusively that present surplus production would be eliminated and a strong market would be provided for the remaining production together with the payment-in-kind commodities.

Now, look at the economic impact of this type of program. Assuming a corn crop in 1960 under the present program worth, at most $3,500,000, compare that with the corn-crop income in 1961 under the green acres program which would be in the neighborhood of $3,800,000 with a considerable drop in the costs of production. In addition, the other grain crops would be worth proportionately more for a total increase in crop value of at least one-half million dollars or a total increase in net income of about $1 million in view of reduced production costs.

With a firm price on feed grains and no surpluses on the market it can also be assumed that excessive production of livestock products would be reduced to the point that we would also have relatively good livestock markets. In 1959 this county sold more than 100,000 hogs compared with 65,000 in 1954 when we did not have such an abundance of cheap feed. Those hogs in 1959 brought about $30 apiece or a total gross income of about $3 million. But, in 1961 with the green acres program in operation and $1.30 for corn you would not see all those hogs produced and, instead, you would have perhaps 75,000 hogs worth about $40 apiece. Gross income would be about the same—$3 million—but the cost of production would be down about 25 percent or $500,000 which would mean an increase in net income on hogs of about $500,000.

When all of the crop and livestock production is taken into account in that particular county, Mr. Speaker, the statistics show an increased net income of about $2 million the first year of operation under the green acres program and that all-important net income for farm people should increase another $500,000 a year for each of the next 5 years.

Think what this increase in net or spendable income would mean to the farm families in the 19 counties of my congressional district and you can readily see what it would mean to the whole Nation. The county I have described is not one of my bigger producing counties; it is actually a bit below average for the whole 19. Therefore, in my district, the first year of operation under the green acres program I have proposed in H.R. 12000, we would have an increase in net farm income of about $40 million. That increased income would be wonderful for our farm families and for the main street businessmen in every one of the towns, villages, and cities in my district not to mention the factories and mills all over the Nation.

Mr. Speaker, if I proposed a $40-million payroll to be added to all congressional districts like mine at little or no expense to the Government, I daresay there would not be a vote against it on the part of either the Congressmen from agricultural districts or those from the industrial areas looking for markets for manufactured goods.

I hope every farmer, every businessman, and every citizen of my district will study this proposal thoroughly and see firsthand what it could actually mean to him or her in dollars and cents income. I hope, also, that my colleagues from all over the Nation will weigh this matter very carefully in the hope that action may be taken on the measure before we adjourn less than 2 months from now.

We have been in session about 4½ months and have seen no constructive action taken by the Congress on this most urgent farm problem. I personally consider this our number one domestic problem and urge our colleagues to set aside their differences and proceed to the active consideration of some proposal such as I have advanced which will give our farm people and rural businessmen some hope for their economic future.

ONE HUNDRED AND FORTY-SIXTH ANNIVERSARY OF NORWEGIAN INDEPENDENCE DAY

Mr. SISK. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. ROONEY] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ROONEY. Mr. Speaker, I should like to pay tribute today to the people of Norway on the occasion of the 146th anniversary of their independence day.

I have been lucky to have had for years many close friends who are Americans of Norwegian birth or descent. They have played an important part in the enrichment of our lives by their culture, their industry, and their strong religious and moral convictions. They are imbued with a great love for American ideals and our democratic form of government. Many have been notable and successful leaders in our Government and in our public life.

The Norwegian people have every reason for taking justly deserved pride in celebrating the day on which their country first adopted their constitution. In April of 1814 a constitutional assembly gathered at their capitol for the purpose of drawing up a constitution that would be based upon the sovereign will of the people. Within a few weeks after the first meeting of this assembly, a new constitution was adopted and a new Storting (legislature) elected. This constitution of 1814 was fully based on the firm principles of civil liberties and human rights.

Only 20 years ago the people of Norway were brutally assaulted by Hitler and his Nazi gang. Those were dark and seemingly hopeless days for them. But few nations in the world have shown a more indomitable spirit of courage and fortitude than the Norwegian people did during the grim hours of Nazi occupation. We shall always remember their courageous stand and their unrelenting underground struggle in the years that followed.

Since that time the Norwegians have strenuously defied Communist Russia even though a huge Red army is stationed in close proximity to them. They have been a staunch and loyal ally of our country, and we should feel fortunate in having them among our friends.

LAKE McALISTER

Mr. SISK. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. DOWDY] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. DOWDY. Mr. Speaker, I have today introduced a bill proposing to name and designate the reservoir at McGee Bend as "Lake McAlister."

The late Honorable Ralph McAlister was an attorney at Nacogdoches, Tex. He departed this life the morning of April 8, 1960.

Mr. McAlister had long been vitally interested in water conservation, and was one of the founders, a director, and one-time president of the organization which through the years has had as its principal objective the construction of McGee Bend Dam and Reservoir on the Angelina River, in east Texas.

With the passing of Ralph McAlister, who was my friend of many years, water conservation lost as persistent a supporter as it ever had. He was one of the first in our section of the Nation to devote his time to it. No other man did so much to bring McGee Bend Dam into being. He kept the project alive during its lean years. McGee Bend Dam and the reservoir created thereby will be a continuing memorial to Ralph McAlister, whether it bears his name, or not. I feel we can do no less than rename the reservoir "Lake McAlister" in his memory.

NO SUBSIDY FOR FAILURE

The SPEAKER. Under previous order of the House, the gentleman from Ohio [Mr. VANIK] is recognized for 15 minutes.

Mr. VANIK. Mr. Speaker, on March 25, 1960, Capital Airlines filed an application with the Civil Aeronautics

Board asking for $12,949,000 in annual subsidy payments. The subsidy would be in addition to the $2,300,000 paid Capital yearly by the Postmaster General for the carriage of mail.

The filing of this application was a momentous event, Mr. Speaker. No other domestic trunkline air carrier has requested subsidy payments and none of the domestic trunk airlines—with some minor exceptions—have received subsidy for the past 8 years—CAB Order No. E–15088, page 2. Capital itself has been off subsidy since October 1, 1951.

Mr. Speaker, I am convinced that subsidy was justified during the developmental stages of American aviation. I am also convinced that certain sectors of the airline industry such as the feeders and the helicopter companies are still in the developmental stages and require subsidy. But, Mr. Speaker, the domestic trunkline carriers have been self-sufficient for nearly a decade; they are or should be a mature industry no longer dependent on subsidy. Therefore this application for subsidy by a long self-sufficient member of the trunkline industry raises several important questions.

First. To what extent does continuing eligibility to receive subsidy encourage improvident decisions and economically reckless conduct among the domestic trunkline carriers

Second. What will be the consequences to the airline industry if one or more of the heretofore self-sufficient trunkline carriers succeeds in obtaining subsidy payments?

Finally, to what extent does Congress have control of the subsidy situation? For example, does the present law permit the accrual of trunkline subsidy claims that encroach upon appropriations Congress intended for local service carriers or other parts of the industry we are trying to develop?

Mr. Speaker, the answer to the first question is clear. The net effect of permitting subsidy eligibility to continue in an industry that no longer requires it is that some operators will take advantage of the insurance against bankruptcy which subsidy eligibility provides to take gambles and make decisions which a normal businessman would not risk. In other words, it breeds recklessness and irresponsibility.

The record of Capital Airlines headlong career of expansionitis is the best example of this principle at work. In 1950, Capital operated 798 million available seat miles. By 1955 it had nearly doubled its operation and was offering 1,363,912,000 available seat miles and in 1959, the last full year of operations available for comparison, Capital had more than doubled the 1955 level and was operating 2,759,941,000 available seat miles.

To achieve this phenomenal expansion Capital naturally had to expand its fleet extensively, and the results of this are being witnessed today in the Vickers Aircraft foreclosure on Capital's entire fleet.

I cannot believe that Capital would have expanded so recklessly and taken all the risks if they had not felt they could fall back on subsidy if their gamble failed.

Mr. Speaker, this leads me to my second question. What happens if we bail Capital out and subsidize their operation? The answer is simple. Capital's route system competes with several other trunkline carriers in the eastern half of the United States, all of whom are operating on a self-sufficient basis. Payment of subsidy to Capital would be no more and no less than Federal competition against these free enterprise subsidy-free companies. The consequences of such a policy are obvious. The weakest of Capital's competitors would soon be compelled to apply for subsidy to withstand the impact of federally subsidized competition. It would only be a matter of time before all of Capital's competitors would become infected, and they, in turn, once they were subsidized, would infect their competitors elsewhere in the Nation.

Mr. Speaker, we have reached the point where the subsidy which was essential to nourish the domestic trunkline industry during its developmental period will, if it is continued, poison the industry and ruin its chances of survival as a strong, self-sufficent transportation facility. Continued subsidy eligibility can result in only one thing—nationalization of the industry.

Finally, I address myself to the question of the extent to which Congress has control of this vital economic problem under existing law and whether a change in the law is necessary. As of now the Civil Aeronautics Board has denied two requests by Capital for immediate interim subsidy grants and the Board has not requested any appropriation by Congress for any such subsidy. A prehearing conference has been set for May 16 and thereafter formal consideration will be given to Capital's subsidy application.

Mr. Speaker, under the provisions of existing law it is clear that Capital Airlines, or any other trunkline applicant, could be paid subsidy despite the fact that Congress had not appropriated money to be used for that specific purpose.

This is true because the Civil Aeronautics Board has statutory power to determine subsidy mail rates for an air carrier without regard to whether there are sufficient appropriations available to cover the amounts which may become due under those rates. The Comptroller General has said "that the existence or nonexistence of appropriations does not in any way restrict or interfere with the ratemaking duties of the Board," and that the Board's statutory authority to fix and determine the rates for subsidy payments "is disassociated not only from the Board's function of payment but even from the incurrence of obligations"—letter of the Comptroller General to the Chairman of the Civil Aeronautics Board, October 6, 1954.

Thus, if the Board were to grant Capital Airlines present request for subsidy, a valid legal obligation would be incurred. That obligation could be met by the Board out of appropriations for subsidy already available, and if the Board refused to make such payment, the legal obligation could be enforced in one of two ways.

First. The carrier could seek, in a district court of the United States, a mandatory injunction requiring the Board to authorize payment. This forum is made available under section 10 of the Administrative Procedure Act and section 1337 of title 28 of the United States Code.

Second. A second approach would be a suit against the United States in the Court of Claims under section 1491 of title 28 of the United States Code. If successful, the complaining carrier would obtain a money judgment. If this judgment was not in excess of $100,000—title 31, United States Code, section 724a—it would be satisfied by the Government Accounting Office upon presentation of the certified copy of the judgment—title 28, United States Code, section 2517. If the amount of the judgment, however, was in excess of $100,000—as would almost certainly be the case—the amount of the judgment would be certified to Congress by the Court of Claims for an appropriation. Thereafter satisfaction would be purely a matter for Congress—*Hetfield* v. *United States* (78 Ct. Cl. 419 (1933)); *Citizens Bank & Trust Co.* v. *United States* (100 App. D.C. 2, 240 F. 2d 863 (1957)).

However, as a practical matter, Congress each year appropriates many millions of dollars for subsidy payments to the local service carriers, helicopter operators, and others. In fiscal year 1961 alone the Board requested $68,984,000 for these payments. The House Subcommittee on Independent Offices Appropriations reported a bill proposing $60 million.

Thus, Mr. Speaker, despite the fact that such appropriations were intended for other activities, the trunkline carrier could, by the methods I have indicated, crowd out other subsidized interests. Such a diversion of appropriated funds might well seriously interfere with the program of the local service or other developmental industry.

Moreover, even if the Civil Aeronautics Board refused to consider an application for subsidy, a trunkline applicant can sue in the U.S. district court under section 10 of the Administrative Procedure Act and title 28, United States Code, section 1337, for a mandatory injunction ordering the Board to process the application. Should differences arise between the trunkline and the Civil Aeronautics Board as to the amount of subsidy, the reasonableness and adequacy of the administrative findings are reviewable under section 1006 of the Federal Aviation Act by the U.S. Court of Appeals for the District of Columbia.

Thus, Mr. Speaker, under present law a carrier can compel a hearing on its subsidy application, can compel the fair exercise of statutory subsidy criteria by the Civil Aeronautics Board in evaluating its claim and, regardless of whether Congress appropriated money for that purpose, if a subsidy payment is found needed, can compel the Civil Aeronautics Board to authorize payment out of funds appropriated by Congress for other carrier payments.

I submit, Mr. Speaker, that this law must be changed. On May 9, 1960, I in-

troduced H.R. 12122, which is identical in wording to that introduced by my distinguished colleague, the gentleman from Illinois [Mr. MACK]. I believe this legislation is necessary not only to preserve the trunkline industry from financial ruin and eventual nationalization but also to preclude any diversion of appropriated funds from the developmental purposes for which they are intended.

THE RIGHT OF THE CONGRESS TO BE INFORMED

The SPEAKER. Under previous order of the House, the gentleman from Vermont [Mr. MEYER] is recognized for 15 minutes.

Mr. MEYER. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Vermont?

There was no objection.

Mr. MEYER. Mr. Speaker, I believe that our rights as Members of this House have been and are infringed upon.

As an aftermath of the U–2 plane incident over Soviet Russia we heard the following on this floor:

> Although the Members of the House have not generally been informed on the subject the mission was one of a series and part of an established program with which the subcommittee in charge of the program was familiar, and of which it had been fully apprised during this and previous sessions.

However, earlier in the other body one Member stated that neither he nor any other member of the Select Appropriations Subcommittee which has for 13 years passed on the Central Intelligence Agency budget had ever heard that it operated planes.

When I subscribed to the following oath of office—

> I, WILLIAM H. MEYER, do solemnly swear that I will support and defend the Constitution of the United States against all enemies, foreign and domestic; that I take this obligation freely, without any mental reservation or purpose of evasion, and that I will well and faithfully discharge the duties of the office on which I am about to enter. So help me God—

I obligated myself to fulfill it and to fulfill it regardless of what others might do that might interfere with my obligation. I say that the previous statements in both bodies leave me confused as to what actually has happened in secret. Nevertheless and regardless, I claim that my sincere attempt to fulfill my oath of office is being obstructed and that this is harmful to my country. I wish to quote these excerpts from our Constitution that relate to my claim.

To begin with, we are charged with the following duties at various points in the Constitution of the United States:

> 1. * * * Raising revenue.
> 2. Lay and collect taxes * * * and provide for the common defense.
> 3. To declare war.
> 4. To raise and support armies, but no appropriation of money to that use shall be for a longer term than 2 years.
> 5. To make rules for the government and regulation of the land and naval forces.
> 6. To make all laws which shall be necessary and proper for carrying into execution the foregoing powers, and all other powers vested by this Constitution in the Government of the United States, or in any department or officer thereof.

I would like also to quote the following excerpts from the Constitution:

> 7. No money shall be drawn from the Treasury, but in consequence of appropriations made by law; and a regular statement and account of the receipts and expenditures of all public money shall be published from time to time.
> 8. The President, Vice President, and all civil officers of the United States, shall be removed from office on impeachment for, and conviction of, treason, bribery, or other high crimes and misdemeanors.

Then I want to repeat the sentence contained in an amendment to the Constitution:

> 9. The enumeration in the Constitution of certain rights, shall not be construed to deny or disparage others retained by the people.

I say that as a Representative to Congress I must know what is going on if I am to fulfill my duties. I and the vast majority of Congressmen cannot do this if either the House or Senate statements previously mentioned by me reflect the conditions we operate under. There can be no first-class and second-class separation of Congressmen. We all must have equal access to those facts without which we cannot fulfill our oath of office and our constitutional duties.

No man can tell me that I have any greater duty than to safeguard the rights of Congress and our people when the threat of actions leading to war are so ominous. War must be prevented, and at the very least it must not come while our people and Congress are purposefully kept in the dark as to facts and acts that are by law supposed to be available to them and under their control. No one has the right to arrogate special powers to himself especially when they belong equally to others and particularly when the life and future of our people and country are at stake as the clouds of a war of unknown destructiveness gather in the sky.

I ask that the appropriate committees and Members of the House investigate this matter and prepare the proper reports leading to remedial action.

Mr. Speaker, in connection with these items from the Constitution which I have quoted, I would like to add a little bit that has been in the papers and elsewhere. For instance, it seems to me, under the constitutional provisions relating to the common defense and declaration of war we could consider this one:

> Green Hackworth's authoritative work on "International Law as Interpreted and Applied by the United States" has much documentation on the international law concerning violation of national jurisdiction over air space which leaves no doubt of the illegality of the present practice.

Even our own Government forbids commercial planes of other countries to enter our airspace without a permit from the Civil Aeronautics Authority; and, certainly, if this is the case, it is obvious that the intrusion of espionage and military planes would certainly be prohibited and that they would not be permitted to invade our air space.

Furthermore, I would say under raising revenue and also laying and collecting taxes and providing for the common defense and declaring war: Is there no responsible control over the activities of the Central Intelligence Agency? That these spy flights, with all their inherent danger of precipitating war, have been going on for 4 years is alarming enough. But that such a flight should have been sent out at this moment just before the summit meeting indicates either incredible stupidity or a positive desire to sabotage this meeting of heads of state from which the whole world had hoped for an easing of tensions, a test ban treaty, and some insurance of human survival through disarmament.

Second. If unarmed, and possibly armed flights of this illegal kind are common practice, is it not true that the power to plunge us into war now rests with any one of hundreds, many of whom may be willing to gamble their lives, and perhaps the lives of all humanity for the high pay involved, or because they think they are performing a service? And also under the points I previously mentioned from the Constitution and many others, I would ask, thirdly: What of the superior morality claimed by the Government which lies and, when caught, justifies the act which it tried to hide by claiming that it was no worse than acts done by a totalitarian Communist Government, whose immorality it consistently condemns?

Mr. Speaker, one Member of the other body has said that the United States was an aggressor in sending a U–2 spy plane deep into Russia. I might not go that far, but I would at least say that we certainly could be under suspicion of that, and that many of our allies and friends throughout the world have been adversely affected by this news.

Furthermore, this same person said it was a risk that could lead to nuclear war if continued; and he added that there is no justification for getting military intelligence through aggression. Whether this is described as aggression or not I would say that it could be so interpreted; and I would agree that whereas we need military information and many other forms of intelligence we should not allow ourselves to be placed in a position where it could be interpreted as aggression, not if we want to stand before the world as the country that we really claim to be and which we really are.

I am not going to say too much more about what another gentleman said, but he did say that he was in favor of getting military intelligence, but in ways that we can reconcile with international comity. I think that is a sensible statement.

Another thing I would like to call to the attention of this body, Mr. Speaker—and these are not my words, but the words of another—we speak of our free society. It is not free if the people are committed to actions which

conflict with our stated diplomatic aims, though having no knowledge of these actions, no control over them, and no way of knowing who is to blame when mistakes are made. This is the way totalitarian societies work. This same type of thinking is part of the reason I am speaking now today. I feel that we must consider these matters if we are to maintain our traditional position, if we are to maintain those things which we stand for, and if we are to resolve the problems that are before the world.

Furthermore, I would like to quote from a column by Marquis Childs in the Washington Post for May 14.

He is over in Geneva now. He states:

America's position is rapidly deteriorating because the visible signs of leadership, the friendly grin to one side, are fewer and fewer. The tragedy of the U–2 illuminated this as with a lightning flash. The universal regret and sorrow in the European press, even in West Germany where there is a confused desire to cling to the concept of American infallibility, are expressed in terms of restraint that cloak dismay and indignation.

Mr. Speaker, I could go on for a long time with many other quotes and many other references to the Constitution and the traditions of our country in the past.

I do not want to be in the position in which I am playing what would be called partisan politics. That does not enter into the picture at all. But neither can we afford to be bipartisan. There is a difference. We can be nonpartisan, and when the national interest of the United States is at stake I, for myself, prefer to be nonpartisan rather than bipartisan. I believe that someone must speak out and correct this tragic comedy of errors. The people who are at fault must in some way be told to change some of the acts, some of the thinking that is leading them to do these things. Somehow or other we must find a better way.

I have just learned from the news wire what Mr. Khrushchev has said. He has demanded an abject apology from our President, he is demanding that we admit that we are aggressors. I feel in this case he has gone much too far if he is a sincere man who really wants to negotiate. His language is offensive. It is not conducive to the best negotiations which we must have.

However, I feel that we as Americans, that we as Members of Congress, have as our first duty to correct that which is within us which may be wrong, and at the same time help to correct that which is wrong elsewhere in the world, and that only in this way can we achieve the fine and noble goals which we as Americans all desire.

LEGISLATIVE PROGRAM FOR TOMORROW

Mr. HALLECK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. HALLECK. Mr. Speaker, I take this time to inquire of the majority leader as to the program for tomorrow.

Mr. McCORMACK. Mr. Speaker, it was rather difficult to definitely state what the program would be on tomorrow or to state with any degree of definiteness until a few minutes ago. I am glad the gentleman from Indiana made the inquiry.

It is the intention to call Calendar Wednesday business on tomorrow and when the Committee on the District of Columbia is reached, if that committee calls up no bills, I shall undertake to take the necessary steps to dispense with further proceedings under Calendar Wednesday, which means that the school construction bill will not come up. It will enable the Committee on Education and Labor to be the No. 1 committee in connection with next week's Calendar Wednesday business. In the meanwhile, the Rules Committee is holding a hearing on Thursday with reference to the school construction bill. We will have another week's opportunity as to whether or not the committee takes a vote on reporting a rule.

If the House dispenses with further proceedings under the call it is intended that we proceed with the bill under consideration today, H.R. 7155, the San Luis project bill.

Mr. HALLECK. Then proceed with the bills as listed heretofore?

Mr. McCORMACK. Then we will proceed with the consideration of the other bills. Of course, when I announced the program last week we expected Calendar Wednesday to be utilized. If Calendar Wednesday business is dispensed with, it is implied that we would continue with the bills as listed heretofore. We want to proceed legislatively tomorrow and those bills will be taken up in the order noted.

THE SOIL BANK TRAGEDY

The SPEAKER. Under previous order of the House, the gentleman from North Dakota [Mr. BURDICK] is recognized for 5 minutes.

Mr. BURDICK. Mr. Speaker, when the House considers farm legislation this year, one problem must take precedence over all others: the so-called whole farm concept—most serious flaw in that unfortunate, jerry-built structure known as the soil bank program. This whole farm provision is systematically destroying the fabric of North Dakota's small community life.

What has happened is this: Hundreds of farmers are abandoning the land they have tilled, picking up their soil bank checks and moving to cities to disrupt the urban economy and, in many cases, deserting the State entirely.

Farmers who ordinarily would be placing a portion of their acreage into the soil bank but still continue to keep up their farms as live, productive, operating units, find it easier to retire all of their crop land and move into town. This convenient means of renting land to the Government is attractive and easy. The farmer sees a way to continue his income from his land without any of the headaches of active farming or private renting; he is left free to go elsewhere and find employment. While it is all perfectly honest and legal for him to do so, he is setting a pattern that is extremely unappealing to nonfarmers to say nothing of the whole rural population which continues to farm actively and always will.

We cannot place too much blame upon those who are joining the exodus away from the farm. They are not discouraged from the whole farm practice; it is to their economic advantage to go and it can even be construed to be patriotic. They are taking land out of production and believe they are doing their part to cut the surplus.

Under these circumstances, it is easy to see what is happening to the small towns and once thriving communities, which for the most part make up the State of North Dakota.

As people leave their farms and sell their machinery and personal property, the community loses tax money, the small town loses consumers, machinery and implement dealers are left without customers and the entire community gradually declines.

Being primarily an agricultural State, North Dakota does not have adequate industry to employ and support the people who bank their land. Thus, these North Dakotans leave the State to seek employment elsewhere, and they are leaving with alarming speed.

I was not sent to Congress to legislate the depopulation of the State of North Dakota. I cannot sit by and watch it happen and I implore all of you to try to understand the seriousness of this problem.

About a month ago, the 1960 soil bank contracts went into effect. The unofficial figures are frightening. A good many more than half of all the farmers participating in the soil bank program in North Dakota—and North Dakota is one of the most heavily contracted States in the Nation—have placed their entire farms in the bank. North Dakota now has a total of 12,375 soil bank contracts and 7,804 or 63 percent of them are whole farm retirements. Last year whole farms represented 52.2 percent of the total contracts.

In one North Dakota county alone 532 whole farms have been banked. Farmers in another have placed 475 entire farms in reserve. The impact on the communities involved is tremendous.

And what good is it doing? The program is so costly in terms of both money and the serious effect on community life that to justify it at all we would have to be sure that benefits at least balance the drawbacks.

Let me emphasize here that I realize the necessity for a land retirement program to control our surplus. It should be a program properly constituted under the banner of conservation which places responsibility on the individual farmer to participate on a cost-sharing basis at the greatest possible saving to the Government. Such a program can be worked out, I believe, along with full parity for crops raised under bushel quotas and is contained in the Poage-McGovern-Burdick farm bill.

But the present program is not decreasing our surplus and I, for one, see no hope that it will do so in the near

future. In fact, surpluses have continued to mount under the program.

First of all, the maximum amount which can be paid to a single farm operator is $5,000. This has had little or no effect on the wheat acreages in my State or elsewhere. Department of Agriculture people say that the present soil bank program should be expanded so that a dent can be made in our wheat surplus and, they argue, the fairest, fastest way to do it is to get whole farms out of production. I see little possibility that Congress will now, or for a long time to come, approve any program requiring such huge outlays to a single unit or operator for banking his land as would be necessary to have a real effect on our surplus.

So, who is really benefiting? The operating farmer today is beset with new problems which result from his neighbor's departure from his land. Weeds and pests are not being controlled on soil banked acreage. This is a dreadful hazard for farmers and they resent it deeply.

Furthermore, the tax burden on these people is being increased because the original number of farmers in a community with taxable personal property has decreased.

And they certainly are not pleased at the deterioration of community life. Their towns, churches, schools, roads, and all civic enterprises are hurt. The ultimate effect of banking whole farms is just the reverse of the intent of the program—to force people to do something they do not want to do—to force the farmers who want to be farmers, and who know nothing else, to look about them and decide they cannot make a go of it.

Does the large operator benefit by the program? Only very slightly, under the present limitations. Besides, when the large operator's quota is increased, what happens to production? He naturally will place his poorest eligible acreage in the soil bank and continue, with all his modern know-how and equipment, to get the greatest possible yield out of his best soil.

I believe there must be serious revision of the entire farm program and that such a revision is the only thing which can even begin to solve the problem. It cannot be attacked with halfway measures. Right now, however, we are facing an emergency. Before any more damage is done, we have got to stop this wholesale abandonment of farms with ownership still residing in the persons who have abandoned them and the Government paying the bill.

Aside from the unwanted results of this whole farm provision among farmers and on the farm economy itself, there are the demoralizing side effects which must be considered with equal gravity.

The farm implement dealer who no longer can maintain a profitable business is a common figure on the North Dakota scene today. The need for machines, fuel oil and service dwindles and, correspondingly, so do the employment opportunities with these businesses. Other Main Street merchants feel the pinch next, as the number of consumers in the community drops. And finally, the social institutions supported by tax money begin to suffer. Schools, churches, hospitals, municipal water and sewer systems, township and country roads—all begin to deteriorate.

The situation is ideally suited to the land speculator who comes in with ready cash and is able and willing to make a grand slam investment for the future—his future or those of the interests he represents.

Still another serious problem arising as a result of the whole farm retirement is the increased competition evident in urban labor markets. Farmers who have soil banked their land go into towns and cities seeking employment. Idle, and with soil bank income providing a cushion of support, they are willing to work for lower than average wages. The laboring men in our cities and towns are saying the farmers are taking jobs away from them—the only jobs by which the town worker can make a living.

The farmer cannot be blamed too much; his outlook for a satisfactory place in today's world is pretty discouraging. But the solution is not in the soil bank as we know it.

It should be remembered, however, that when the soil bank program is brought to an end, existing contracts will be honored as legitimate and valid obligations of the Government which cannot be repudiated. These contracts create obligations which are as binding as a bond or any other Government obligation.

When we see the results of the whole farm plan—results that have all the earmarks of permanence—can we afford to continue the program? I do not think so. Farmers, laboringmen, small businessmen, and community leaders all are protesting. They say whole farm abandonment has got to be stopped. We now are responsible to see that the whole farm concept of the soil bank is not renewed.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. VANIK, for 15 minutes, today, and to revise and extend his remarks.

Mr. BAILEY, for 5 minutes, today.

Mr. MEYER, for 15 minutes, today.

Mr. BURDICK, for 5 minutes, today.

Mr. POWELL (at the request of Mr. SISK), for 30 minutes, on Thursday next.

Mr. GUBSER, for 15 minutes, on tomorrow.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. BOGGS and to include extraneous matter.

Mrs. KEE and to include extraneous matter.

Mr. FISHER and include extraneous matter.

Mr. BRADEMAS.

Mr. HOSMER, his remarks in Committee of the Whole today and to include extraneous matter.

Mr. COHELAN, his remarks in Committee of the Whole today and to include extraneous matter.

(At the request of Mr. ROBISON, and to include extraneous matter, the following:)

Mr. LIPSCOMB.

Mr. HOSMER.

Mr. MUMMA.

Mr. BRAY.

Mr. WIDNALL.

Mr. WILSON.

(At the request of Mr. SISK, and to include extraneous matter, the following:)

Mr. MULTER.

Mr. DINGELL.

Mr. RODINO.

Mr. DELANEY.

ENROLLED JOINT RESOLUTION SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H.J. Res. 640. Joint resolution to authorize and request the President to issue a proclamation in connection with the centennial of the birth of General of the Armies John J. Pershing.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 3338. An act to remove the present $5,000 limitation which prevents the Secretary of the Air Force from settling certain claims arising out of the crash of a U.S. Air Force aircraft at Little Rock, Ark.

JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on May 16, 1960, deliver to the White House for presentation to the President, for his approval, a joint resolution of the following title:

H.J. Res. 602. Joint resolution authorizing the President to proclaim the week in May of 1960 in which falls the third Friday of that month as National Transportation Week.

ADJOURNMENT

Mr. ULLMAN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 45 minutes p.m.) the House adjourned until tomorrow, Wednesday, May 18, 1960, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2155. A letter from the Assistant Secretary of the Interior, relative to reporting that

an adequate soil survey and land classification of the lands in the East Bench unit, Three Forks division, Missouri River Basin project, Montana, has been completed as a part of the investigations required in the formulation of a definite plan for project development, pursuant to Public Law 172, 83d Congress; to the Committee on Appropriations.

2156. A letter from the Acting Secretary of the Treasury, transmitting a draft of proposed legislation entitled "a bill to amend section 14(b) of the Federal Reserve Act, as amended, to extend for 2 years the authority of Federal Reserve banks to purchase U.S. obligations directly from the Treasury"; to the Committee on Banking and Currency.

2157. A letter from the Acting Secretary of the Treasury, transmitting a draft of proposed legislation entitled "a bill to amend section 15(b) of the Railroad Retirement Act, as amended, to revise the interest rate formula of special obligations purchased for the railroad retirement account, and for other purposes"; to the Committee on Interstate and Foreign Commerce.

2158. A letter from the Secretary of the Army, transmitting the Annual Report of the U.S. Soldiers' Home for the fiscal year 1959, and the Report of the Annual Inspection of the Home, 1959, pursuant to the act of Congress approved March 3, 1883, as amended (24 U.S.C.A. 59 and 60); to the Committee on Armed Services.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. KILDAY: Committee on Armed Services. H.R. 9702. A bill to amend section 2771 of title 10, United States Code, to authorize certain payments of deceased members' final accounts without the necessity of settlement by General Accounting Office; with amendment (Rept. No. 1610). Referred to the Committee of the Whole House on the State of the Union.

Mr. KILDAY: Committee on Armed Services. H.R. 11812. A bill to provide uniform computation of retired pay for enlisted members retired prior to June 1, 1958, under section 4 of the Armed Forces Voluntary Recruitment Act of 1945, as amended by section 6(a) of the act of August 10, 1946 (60 Stat. 995); without amendment (Rept. No. 1611). Referred to the Committee of the Whole House on the State of the Union.

Mrs. PFOST: Committee on Interior and Insular Affairs. S. 1411. An act to amend the act of August 1, 1956 (70 Stat. 898); without amendment (Rept. No. 1612). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BENNETT of Florida:

H.R. 12248. A bill to provide for a review and an analysis of the positions held by military personnel in the Office of the Secretary of Defense and in the Office of each of the Secretaries of the Armed Forces, for the purpose of effecting certain economies as well as of restoring the offices of the Secretaries to civilian control; to the Committee on Armed Services.

By Mr. BENNETT of Michigan:

H.R. 12249. A bill to amend the Federal Trade Commission Act to provide for the issuance of temporary cease and desist orders to prevent certain acts and practices pending completion of Federal Trade Commission proceedings; to the Committee on Interstate and Foreign Commerce.

H.R. 12250. A bill to amend the Tariff Act of 1930 to impose an import quota on iron ore; to the Committee on Ways and Means.

By Mr. BRAY:

H.R. 12251. A bill to provide additional funds for use in the several States without Federal direction, control, or interference; to the Committee on Ways and Means.

H.R. 12252. A bill to strengthen State governments, to provide financial assistance to States for educational purposes by returning a portion of the Federal taxes collected therein, and for other purposes; to the Committee on Education and Labor.

By Mr. DOWDY:

H.R. 12253. A bill to designate the reservoir to be constructed on the Angelina River near Jasper, Tex., as "Lake McAlister"; to the Committee on Public Works.

By Mr. EVINS:

H.R. 12254. A bill to change the name of the bridge in DeKalb County, Tenn., now known as Hurricane Bridge, to the P. C. Crowley Memorial Bridge; to the Committee on Public Works.

By Mr. GALLAGHER:

H.R. 12255. A bill to amend the Social Security Act and the Internal Revenue Code so as to provide insurance against the costs of hospital, nursing home, home nursing service, and diagnostic outpatient hospital services for persons eligible for old-age, survivors, and disability insurance benefits, and for other purposes; to the Committee on Ways and Means.

By Mr. HIESTAND:

H.R. 12256. A bill to amend section 1361 of the Internal Revenue Code of 1954 with respect to the election of certain partnerships and proprietorships as to taxable status; to the Committee on Ways and Means.

By Mr. INOUYE:

H.R. 12257. A bill to amend section 601 of title 38, United States Code, to restore to certain veterans in Alaska or Hawaii the right to receive hospital care; to the Committee on Veterans' Affairs.

By Mr. JOHNSON of California:

H.R. 12258. A bill to provide for the conveyance of certain lands to the State of California; to the Committee on Interior and Insular Affairs.

By Mr. KEARNS:

H.R. 12259. A bill to authorize a 5-year program of assistance to financially needy school districts in paying the principal and interest annually falling due on loans for construction of urgently needed elementary or secondary public school facilities, and for other purposes; to the Committee on Education and Labor.

By Mr. GEORGE P. MILLER:

H.R. 12260. A bill to amend the Career Compensation Act of 1949 to provide for the payment of incentive pay to members of the Armed Forces performing duty as operators of submersibles; to the Committee on Armed Services.

By Mr. POAGE:

H.R. 12261. A bill to amend the Agricultural Adjustment Act of 1938, as amended, and the Agricultural Act of 1949, as amended, with respect to market adjustment and price support programs for wheat and feed grains, to provide a high-protein food distribution program, and for other purposes; to the Committee on Agriculture.

By Mr. SANTANGELO:

H.R. 12262. A bill to amend section 353(3) of the Immigration and Nationality Act; to the Committee on the Judiciary.

By Mr. SELDEN:

H.R. 12263. A bill to authorize the conclusion of an agreement for the joint construction by the United States and Mexico of a major international storage dam on the Rio Grande in accordance with the provisions of the treaty of February 3, 1944, with Mexico, and for other purposes; to the Committee on Foreign Affairs.

By Mr. SPENCE:

H.R. 12264. A bill to amend section 408 of the National Housing Act so as to repeal its expiration date, thereby making permanent law its provisions for regulating savings and loan holding companies; to the Committee on Banking and Currency.

By Mr. VINSON:

H.R. 12265. A bill to amend title 10, United States Code, to authorize certain persons to administer oaths and to perform notarial acts for persons serving with, employed by, or accompanying the Armed Forces outside the United States; to the Committee on Armed Services.

By Mr. WATTS:

H.R. 12266. A bill to provide that if the Republic of the Philippines prohibits the export of rattan poles the full statutory rate of duty of 60 percent ad valorem shall apply to furniture wholly or in chief value of rattan which was manufactured in, or comes into the United States from, the Republic of the Philippines; to the Committee on Ways and Means.

By Mr. WILLIAMS:

H.R. 12267. A bill to amend part I of the Interstate Commerce Act by excluding express companies from the provisions of the fourth section; to the Committee on Interstate and Foreign Commerce.

By Mr. YOUNGER:

H.R. 12268. A bill to provide for the assessment and collection of fees to cover the cost of operation of certain regulatory agencies; to the Committee on Interstate and Foreign Commerce.

By Mr. ZABLOCKI:

H.R. 12269. A bill to authorize Federal financial assistance to the States to be used for constructing school facilities; to the Committee on Education and Labor.

By Mr. BARRETT:

H.R. 12270. A bill to amend certain laws relating to the conservation and improvement of private housing and the renewal of urban communities, and for other purposes; to the Committee on Banking and Currency.

By Mr. GOODELL:

H.R. 12271. A bill to amend the Internal Revenue Code of 1954 so as to provide that lawful expenditures for legislative purposes shall be allowed as deductions from gross income; to the Committee on Ways and Means.

By Mr. GUBSER:

H.R. 12272. A bill to authorize the Secretary of Health, Education, and Welfare to enter into agreements with each of the States, Commonwealths, territories, and the District of Columbia to provide for a private voluntary medical care insurance program for certain persons over the age of 65, and to authorize payments by the Secretary to States to cover part of the cost of such insurance; to the Committee on Interstate and Foreign Commerce.

By Mr. KILGORE:

H.R. 12273. A bill to amend section 7 of the Administrative Expenses Act of 1946, as amended, to provide for the payment of travel and transportation cost for persons selected for appointment to certain positions in the United States and for other purposes; to the Committee on Government Operations.

By Mr. RIVERS of Alaska:

H.R. 12274. A bill to amend section 4 of the act of January 21, 1929 (48 U.S.C. 354a (c)), and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. BUDGE:

H.J. Res. 708. Joint resolution providing for the issuance of a special postage stamp in recognition of the efforts of both labor and management in bringing to the attention of the American public the value of the

apprenticeship system to our national economy; to the Committee on Post Office and Civil Service.

By Mr. BURLESON:

H. Con. Res. 691. Concurrent resolution authorizing the disposal of certain publications now stored in the folding room of the House of Representatives and the warehouse of the Senate; to the Committee on House Administration.

By Mr. CELLER:

H. Res. 530. Resolution to amend House Resolution 27, 86th Congress; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ASHLEY:

H.R. 12275. A bill for the relief of Fotios Sakelaropoulos Kaplan; to the Committee on the Judiciary.

By Mr. BARRETT:

H.R. 12276. A bill for the relief of Domenico Natale; to the Committee on the Judiciary.

By Mr. BROYHILL:

H.R. 12277. A bill for the relief of Stanley Hayman & Co., Inc.; to the Committee on the Judiciary.

H.R. 12278. A bill for the relief of Mrs. Louisa Caparrini Guasti; to the Committee on the Judiciary.

H.R. 12279. A bill for the relief of Silvio A. Guasti; to the Committee on the Judiciary.

By Mr. BURKE of Kentucky:

H.R. 12280. A bill for the relief of Hans Peter Franz Schlobach; to the Committee on the Judiciary.

By Mrs. CHURCH:

H.R. 12281. A bill for the relief of Kaino Knuuttila; to the Committee on the Judiciary.

By Mr. CURTIS of Massachusetts:

H.R. 12282. A bill for the relief of Mrs. Bessie Caroline Perry; to the Committee on the Judiciary.

By Mr. DONOHUE:

H.R. 12283. A bill for the relief of Jan Michal Dien; to the Committee on the Judiciary.

By Mr. FOLEY:

H.R. 12284. A bill for the relief of David C. Thomas, Robert W. Barber, Milton A. Chace and Richard F. Turner; to the Committee on the Judiciary.

H.R. 12285. A bill for the relief of Mrs. Stamata Vergyri; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

465. By Mr. FORAND: Petition of the Croatian Fraternal Union of America memorializing the Congress of the United States with respect to the Forand bill (H.R. 4700) which would amend the social security law so as to provide against the high costs of hospitals, nursing homes, medical and surgical care for persons eligible for old-age and survivors' insurance benefits; to the Committee on Ways and Means.

466. By Mr. McCULLOCH: Petition of 90 members of the Mercer County, Ohio, Teachers Association indicating support of H.R. 22 and S. 8 relating to Federal aid to education; to the Committee on Education and Labor.

EXTENSIONS OF REMARKS

The Depressed Areas Bill

EXTENSION OF REMARKS

OF

HON. WILLIAM B. WIDNALL

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1960

Mr. WIDNALL. Mr. Speaker, Pennsylvania is one of the States suffering most from pockets of chronic industrial unemployment. There is general agreement that five of the major labor market areas are so-called depressed areas. These are the Altoona, Erie, Johnstown, Scranton, and Wilkes-Barre-Hazleton areas. As of March 1960, unemployment in these five major areas totaled 57,500 persons. In addition there are six smaller industrial areas on which there is general agreement that conditions of chronic unemployment exist. These are the Berwick-Bloomsburg, Clearfield-Du Bois, New Castle, Pottsville, Sunbury-Shamokin-Mount Carmel, and Uniontown-Connellsville areas. Unemployment in those six smaller areas totaled 40,850 persons on the basis of most recently available surveys. All 11 of these areas would have been recognized as areas of chronic unemployment under both the administration's and the Senate passed depressed areas bills. Aside from the addition of one smaller industrial area, namely Butler with an unemployed total of 3,100 persons, the bill as it passed the Senate and the administration's bill were in complete agreement that these were the areas of chronic unemployment in Pennsylvania. The unemployed total for these 12 areas totals 101,450 persons.

Now let us see what would happen under the House version of the bill, as amended, which was accepted by the Senate, and sent to the President and vetoed. It would have been mandatory that the administrator designate 23 areas in Pennsylvania as eligible for assistance with an unemployed total of 320,850 or over three times that for the commonly recognized chronic areas. In other words, chronic areas would get only one-third of the assistance intended for them. Other areas, including Philadelphia with 119,300 unemployed and Pittsburgh with 75,700 unemployed would get $2 of every $3 of assistance intended for the chronic areas in Pennsylvania.

No wonder the President found it necessary to veto the unfair and unsound depressed areas bill which the Congress sent to him. Failure of this Congress to get busy and pass a good bill at this session can mean only one thing, and that is, that the majority party of this Congress is more interested in a potential political issue than it is in enacting constructive legislation to lessen suffering in hard-hit areas of chronic unemployment.

Keenotes

EXTENSION OF REMARKS

OF

HON. ELIZABETH KEE

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1960

Mrs. KEE. Mr. Speaker, under unanimous consent, I include in the CONGRESSIONAL RECORD a copy of my newsletter released May 16, 1960:

KEENOTES

(By Representative ELIZABETH KEE)

Dominating all discussion in Washington is the shooting down of an American plane while on a flight over Russia. This incident has raised serious international questions and its effect could be reflected in the summit conference scheduled for this week, and President Eisenhower's proposed subsequent visit to Russia.

There is no doubt that this country lost considerable prestige abroad over the manner in which the incident was handled. Yet, because Democrats have closed ranks behind the President, the possibility that the incident will be as costly as first feared has been lessened.

Chairman CLARENCE CANNON of the House Appropriations Committee, a Democrat and one of the three or four most powerful men in the House, took the floor in a dramatic speech to defend this Nation's practice of flying photographic planes over Russia at high altitudes. He was followed by Senator LYNDON JOHNSON of Texas, the majority leader in the Senate, who called upon the Nation to close ranks at a time of crisis.

Mr. Khrushchev is enjoying a propaganda holiday as a result of the incident. He is going to do all he can to keep the issue alive and at times it seems he is intent upon forcing the President to cancel his planned visit to Russia.

If we had shown a tendency to argue among ourselves at home over this matter, the damage abroad could have been incalculable. Our allies undoubtedly would have been frightened, possibly to the point of denying to us the further use of bases.

As things worked out, the country is united behind the President, even though no one is particularly happy that we were caught in such embarrassing circumstances. We can at least through a show of unity minimize the damage from the incident.

REA 25 YEARS OLD

Last week marked the 25th anniversary of the Rural Electrification Administration. This is the Federal agency which loans funds to locally owned cooperatives to build and operate electric systems serving rural areas.

The program has been a tremendous success. About 95 percent of all farms are now electrified, enabling farmers to install modern conveniences and laborsaving devices. The life of farm families has been considerably enriched by this program.

REA is universally accepted as a part of the American system. It is an example of what can be accomplished when the Federal Government works with local groups instead of trying to run a program from Washington.

WEST VIRGINIA SPEAKS OUT

The people of West Virginia have demonstrated once more that they make up their own minds about people and issues. The national press devoted several weeks to telling the Nation that our State was composed of people whose judgment would be swayed by blind prejudice. Now the people have spoken. As usual, the people of West Virginia acted in accordance with the dictates of their own conscience. They refused to live up to the picture painted by visiting journalists. They listened to the arguments, they weighed them and then voted as they believed best.

Norwegian Independence Day

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 17, 1960

Mr. MULTER. Mr. Speaker, we honor today a milestone in Norway's more-than-thousand-year-old history. Norway's Constitution Day dates from but a century and a half ago—May 17, 1814.

The Norsemen, however, were recognized as a separate nation as early as the 9th century. Political unification of this ancient country is identified with the Viking era; as is, indeed, the first connection with North America. For the intrepid Norsemen were famous for their voyages, reaching as far as Greenland and the coast of the North American Continent. This day May 17, 1814, marks the reemergence of the nation of Norway.

During the intervening centuries the political independence of Norway had more than once been submerged; but the spirit of freedom was unconquerable. It reasserted itself most vigorously after the Napoleonic Wars. The people refused to be dominated either from without or within.

On May 17, 1814, Norway, through a national assembly, was declared independent. The constitution then adopted was based on the ideas which had inspired the American and the French Revolutions, on the principles of Montesquieu and John Locke's doctrine of the sovereignty of the people.

The spirit of independence in Norway was, however, long linked with a spirit of cooperation. During the 19th century Norway was linked with Sweden in a union. Theoretically each country was to preserve its complete, sovereign independence. In fact, however, Sweden became dominant, particularly in the conduct of foreign affairs; and in 1905 the union was dissolved. Norway became an entirely independent nation.

Significantly, the democratic spirit of a people was never more clearly demonstrated than in their election of a king. When, in 1905, King Haakon VII commenced his long reign as a much-loved "First Citizen," he was the first man ever to be elected king by modern democratic processes.

Together with their love of democracy and independence the Norwegians have maintained their willingness to cooperate. Clear evidence of this spirit exists today in the part that Norway plays in the North Atlantic Treaty Organization.

Emphasizing the fact that the principal aim of this collective system is to prevent war, Norway has placed great weight on NATO's activities to promote conditions of peace.

Norway has sought to strengthen political contacts between member countries for consultative activity on political problems. Such measures are not only valuable for cooperative purposes—and Norway places emphasis on the nonmilitary field—but also contributes to the relaxing of tensions. Such a policy is typical of Norway's traditional avoidance of international conflict.

We in the United States are proud to feel a kinship with Norway—this country of demonstrated faith in the principles of democracy, cooperation, and the promotion of world peace—one which has sent so many of her sons and daughters to our own shores.

Tribute to the Eagle Rock Sentinel

EXTENSION OF REMARKS
OF
HON. GLENARD P. LIPSCOMB
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 17, 1960

Mr. LIPSCOMB. Mr. Speaker, the 24th Congressional District of California, which it is my privilege to represent in Congress, possesses a number of top quality local newspapers which make an important contribution to the district in reporting news of special interest to the community, expressing area views on matters affecting it, undertaking crusades in behalf of the community where its interest is concerned, and generally performing many other valuable services in behalf of the residents of the community. The 24th District is very fortunate to have these public-spirited institutions.

One of the fine community newspapers serving the 24th District, the Eagle Rock Sentinel, is celebrating its 50th anniversary this year. The Sentinel is a source of pride to the district and I wish to add my heartiest congratulations on this important occasion.

There was no doubt as to what kind of newspaper the Sentinel was to be from the very beginning. When it first appeared, in March 1910, the Sentinel announced that it would defy the then existing trend toward journalistic sensationalism and that it would report community news in a conservative, straightforward manner.

In the intervening 50 years, the Eagle Rock Sentinel has maintained its original position with admirable determination. Throughout a brilliant career the Sentinel has kept to its original purpose and resisted temptations to gain in circulation through sacrifice of its ideals. It has earned a deserved reputation as a leader in its field.

Much credit for the success of the Eagle Rock Sentinel and the position it occupies today is due Mr. Harry Lawson, for many years the owner, and still publisher, of the Sentinel, and Mr. Oran Asa, who purchased the Sentinel several years ago. I am confident that under these extremely capable hands the Sentinel will continue to contribute to the best interests of the community of Eagle Rock for many years to come and I wish it every success in the future.

Federal Subsidies Inflate School Costs (H.R. 10128)

EXTENSION OF REMARKS
OF
HON. O. C. FISHER
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 17, 1960

Mr. FISHER. Mr. Speaker, in considering the question of Federal aid for education, we need to take a close, hard look at the facts. Is such Federal aid actually needed? Is it good business to send a tax dollar to Washington and get back a smaller dollar in the form of so-called Federal aid for school construction? Should we risk a degree of Federal control over education by undertaking a mammoth $975 million grant and aid program for school construction?

On the question of need, the U.S. Office of Education states that the peak need for new classroom construction has been passed. From that source it can also be assumed that the anticipated annual classroom construction rate, without Federal aid, will more than meet future requirements—even as estimated by the bill's proponents.

That same office, after a recent survey, reports that only 237 school districts in 45 States (embracing 35,000 districts) have exhausted all sources of borrowing for classroom construction. The total classroom need in these 237 "borrowed-up" districts was less than 3,100; and 45 percent of the districts had fewer than 600 pupils enrolled.

It is also significant that almost 50 percent of all classrooms used in 1959 have been built since World War II.

Moreover, it is estimated that on a national average property values for school tax purposes are assessed at 30 percent of real values.

It would seem self-evident, therefore, that in the face of available information the facts do not support the need for this form of Federal aid as proposed.

Second, is it good business from a taxpayer's standpoint to send a tax dollar to Washington and get back only a portion of it, to help build classrooms? Or, on the other hand, would it not be better, from the taxpayer's standpoint, to retain that tax dollar at its source, avoid the shrinking effect of sending it to Washington and then back to its source, and

be able to get the full benefit of that tax dollar in the construction of classrooms, and with no strings attached in the use that is made of it?

On this subject of costs, it is necessary for local interests to take into consideration section 8 of the pending bill, H.R. 10128, which provides:

SEC. 8. (a) The State educational agency of each State which receives funds under this Act shall give adequate assurance to the Commissioner that all laborers and mechanics employed by contractors or subcontractors in the performance of work on school construction projects financed in whole or in part under this Act will be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Davis-Bacon Act.

A difficulty often encountered in the application of the Davis-Bacon Act is that wage rates set by the Secretary of Labor in a given community may reflect prevailing wages in a locality, but not those that prevail in a particular community.

Let me cite one example to illustrate that fact. Two schools were recently built simultaneously in Selma, Ala.—the Edgewood Grade School, upon which no Federal funds were used, and the New Knox Elementary School upon which Federal funds were used.

Here are the wage rates applied to the two construction jobs:

[Per hour]

Job category	Edgewood School (no Federal funds)	Knox School (Federal funds)
Common labor	$0.75	$1.15
Carpenter	1.75	2.25
Concrete finisher	1.75	2.85
Concrete mixer and traveling machine operator	1.50	2.75

It can be seen that the federally set wages ranged from 40 cents to $1.25 more per hour than local wages for the same kind of work. It appears from this example that the wage rates set by the Secretary of Labor in that particular community were substantially higher than the prevailing wage that existed there, although it may have reflected the prevailing rates in a locality that perhaps included a metropolitan area.

I have pointed out that the tax dollar that is sent to Washington and comes back later in the form of Federal aid, is a smaller dollar when it returns to its place of origin. I do not know just how much of its true value is lost in this form of Federal aid. In the field of Federal aid for slum clearance, for example, it is said that some 22½ cents of each dollar is consumed by the Federal overhead expense of making the dollar available and returned to its original source. And in the case of public housing, the brokerage fee paid to the Government on each tax dollar spent amounts to 39.9 cents.

Moreover, Mr. Speaker, I think most people agree with the warning so often given by the late Senator Robert Taft when he said: "Federal aid means Federal control. There is no middle ground."

A study of the history of Federal aid programs reveals that as a general rule such aid entails conditions and terms under which it is to be spent. We begin with it here by the application of the Davis-Bacon Act right at the inception, with Uncle Sam dictating to the local community how much they must pay the laborers who do the work, without regard to the local labor market and the wage rates that may actually prevail in a particular community.

It becomes evident, therefore, that if the taxpayers' money is to be sent to Washington, then returned for local use, it will come back with strings attached. That is one of the elements in the price that the people must pay if they choose to make use of Federal aid on local projects of this nature.

Therefore, while certain Federal aid programs have become accepted in this country, it would seem wise to take a close, hard look at the new ones that are proposed. Unless there are compelling reasons to justify such activities, it would seem the better part of wisdom to allow local communities which can do so to assume this responsibility on a local level, and keep Uncle Sam out of it.

Jobs After 40

EXTENSION OF REMARKS

OF

HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1960

Mr. HOSMER. Mr. Speaker, the Fraternal Order of Eagles has for some time conducted a fine campaign to educate employers to the advantages of hiring older workers. Remarks on the subject a couple of years ago by former Senator Frank A. Barrett were commented upon editorially by the Wyoming Tribune, Apirl 30, 1958, as follows:

JOB HUNTING AFTER 40

A lot of people will indeed applaud Senator Frank A. Barrett for questioning, in his newsletter, the callousness of the crack that "Life Begins at 40."

He pointed to the growing and grave concern with the trend among employers to bypass the fellow who has seen 40 summers.

"It is becoming increasingly difficult for men of that age to find jobs," he observed. "Thousands of skilled and experienced workers are unable to earn a living because of this discrimination in employment."

He praised the nationwide drive of the Eagles, which got off to a rousing start at Cheyenne largely through the efforts of W. F. O'Toole.

Legislation is pending before the Senate Labor Committee which would prohibit contractors on a Federal project from discriminating against individuals solely because of age.

"A good many of our citizens find themselves unemployed after working 20 years or more for one employer," the Senator said. "Even though they are in good physical condition and in the prime of life, they cannot find jobs. And yet these people are entirely too young to retire, and most without means to retire.

"They are caught betwixt and between. In my book, it 'ain't' fair and I don't mind saying so."

The seriousness of the situation was pronounced even when the economy was booming. It has become tragic in many respects with the onset of the depression.

The Federal Government, at least, doesn't have to go along with the matter. And States might also take a cue.

Other favorable comments on the Eagles' campaign have been made by many public figures. Here are samples:

Vice President: "The Fraternal Order of Eagles deserves the gratitude of every American for their 'Jobs After 40' campaign. The all too prevalent practice of discriminating against middle-aged workers is a twofold tragedy. It causes hardship to many of our finest citizens, and it deprives the Nation of skills which it so badly needs these critical days"—RICHARD NIXON, Vice President of the United States.

Governor: "It is gratifying to learn that the Fraternal Order of Eagles, of which I am a member, is conducting this active campaign to end job discrimination based on age. I have been very much opposed to practice of shunting aside older folks"—Ernest W. McFarland, Governor of Arizona.

U.S. Senator: "In what should be their 'golden years,' altogether too many, now, are shunted more and more to an insecure, dependent, and hopeless position in our society, through deprivation, because of their age, of their opportunity for gainful work"—WARREN G. MAGNUSON, U.S. Senator from Washington.

Governor: "The Eagles certainly have my support in their efforts to take better advantage of the skills now being neglected in the increasing group of older men and women. I do support the Eagles 'Jobs After 40' campaign"—Albert D. Rosellini, Governor of the State of Washington.

Congressman: "Both public and private employers would be benefited by giving our older workers greater job opportunities, and I should like to commend the Eagles for their efforts in this important field"—GEORGE HUDDLESTON, Jr., Member of Congress, Ninth District, Alabama.

Governor: "I subscribe wholeheartedly to the objectives of the Eagles 'Jobs After 40' campaign. I will be happy to take steps to evaluate the problem in Maine with a view to developing solutions"—EDMUND S. MUSKIE, Governor of Maine.

Congressman: "The Fraternal Order of Eagles program for 'Jobs After 40' is a highly meritorious one and it certainly has my full support. Congratulations on this worthwhile enterprise"—Lawrence H. Smith, Member of Congress, First District, Wisconsin.

Governor: "I am sure that your organization can do a great deal to assist persons over 40 years of age find employment, and I have long been understanding of the problems faced by the middle aged"—Theodore R. McKeldin, Governor of Maryland.

Congressman: "Today too many competent, able-bodied, trained, and experienced workers are being told they are 'too old, even at age 40.' That is why I have pledged my full support to the Fraternal Order of Eagles campaign against age discrimination"—HENRY S. REUSS, Member of Congress, Fifth District, Wisconsin.

Governor: "To the Fraternal Order of Eagles: It has been my experience that people after the age of 40 years have very much to offer in being placed on jobs. Their accumulated experience is valuable, and I find that very often they are more inclined to take an interest in the work and stay on the job longer than younger people"—Charles H. Russell, Governor of Nevada.

U.S. Senator: "The loss of production, as well as of a skilled work force sufficient to meet our national defense needs, require that older workers be given equal status in the competitive job market. The Eagles 'Jobs After 40' campaign is a most commendable and worthy project, and one which deserves wholehearted support. You certainly can count on mine"—HUBERT H. HUMPHREY, U.S. Senator from Minnesota.

Pennsylvania Dutch

EXTENSION OF REMARKS
OF
HON. WALTER M. MUMMA
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1960

Mr. MUMMA. Mr. Speaker, just recently I sent to each Member of the House of Representatives, a 76-page booklet that contained just about that many traditional Pennsylvania Dutch recipes. Along with each copy, I sent a covering letter, written in the Pennsylvania Dutch dialect which is written and spoken in my district. One of the daily papers in my district, the Lebanon Daily News, each day has a column written in that dialect. Not to keep the Members confounded, I also sent along an English translation of my covering letter, mentioning this wonderful area in Pennsylvania, which, from the response I received from the Members, is borne out in their letters to me.

I am grateful to receive the many nice comments from the membership for my effort to impart to them some information about customs of the Pennsylvania Dutch community and particularly their delightful food preparations and combination of Dutch dishes.

I want to include at the end of my remarks typical letters received that reflect the literary effort evoked by the cookbook and its covering letters, and should you be passing through that lovely Pennsylvania country with its well-kept farms, the colorful "hex" signs, and so forth, and overhear expressions like: "Jake is spritzing the grass," "It's just for nice," or "It wonders me," then you will know you are among the nice, hospitable Pennsylvania Dutch.

HOUSE OF REPRESENTATIVES,
Washington, D.C., May 5, 1960.

MIE GUDER FRIEND: Ich hob kaird es sawa uft muhls—"Fer wos sella mir Deutsch sie, wun du bisht net dumm." Our, Ich bin recht shure wun do glicklich genunk waersht fuh dirich des land, du daetsch ous finna aus sell net war is.

De shanne un gute-kolta boweri mit schier gute in pharab un mit "hexa" tzana—un de ushtso gute-kolta heiser sin arrick gross un so be-kund.

Ains fum de unner digna fah wos si bekund sin is erie kucha. Si sin grosse esser. Dirich des land sin wotsheiser wu si specializea (in des essa wos unser gross- modder gamacht hut).

Ich hob gamaint du daitsch glicha bruvera fum des essa in die hamit. Well, mie guder friend, Jack Wolfe, fum der Meggs Kumpany fum Harrisbaerick, aire is gross in de bizness un macht por sodda fum de Pennsylfania Deutscha noodla, aire hut en resada buch mit feel resada fa gude essa, un du kunsht dale fum de bicher greea.

Ich was os du hummerich washt usht fum de resada laesa. Froke die familia ains bruvera. Mie besht resade is "Schnitz un Knepp" uf page 29.

Der Biles Horst, Secretary Benson's congressional liaison mun, aire is awe fum des land un connet usht des schwetza aire con des ouse acta.

Huff du gleischt das buch un awe dale fum des kucha.

Sincerely yours,

WALTER M. MUMMA,
Member of Congress.

[Translation]

HOUSE OF REPRESENTATIVES,
Washington, D.C., May 5, 1960.

MY DEAR COLLEAGUE: I have heard the expression many times—"What's the use of being Dutch if you are not dumb." Nevertheless, I am quite sure if you have been fortunate enough to get up through this country, you would realize the untruth of that statement.

The beautiful and well-kept farms with barns well painted and with "hex" signs—and the equally well kept houses are really terrific and so characteristic.

One of the other things for which they are famous is their cooking. They are stout eaters. Throughout the territory there are hotels where they specialize in these traditional dishes.

I thought you would like to even try such meals in your home. Well, my good friend, Jack Wolfe of the Meggs Company of Harrisburg, who specializes in manufacturing several varieties of the Pennsylvania Dutch noodles, has a recipe book for many such dishes, and has made some of these available for you.

I know you will get hungry just reading these recipes. Have your folks try one. My favorite is "Schnitz un Gnepp" on page 29.

Miles Horst, Secretary Benson's congressional liaison man, is also from this country and cannot only talk it but act it out.

Hope you will enjoy the book and also some of the cooking.

Sincerely yours,

WALTER M. MUMMA,
Member of Congress.

HOUSE OF REPRESENTATIVES,
Washington, D.C.

WALTER: When the flags go by the train is all! Jacob! Get up! Mamas et herself, papas et hisself, and I have et myself!

Thanks for the noodles!

WALT.

HOUSE OF REPRESENTATIVES,
Washington, D.C., May 10, 1960.

Representative WALTER M. MUMMA,
House Office Building,
Washington, D.C.

DEAR WALTER: Mine Gott, if your recipe book I take home an elephant mine wife makes me.

That's goot * * * I take home!

Thanks so much,

CHARLES E. CHAMBERLAIN.

MEIN LIEBE HERR MUMMA: Ich been gescribblin deser noten to mein Congressenman to asken vass is loss mitten der mailen und envelopen. Mein yungin Erhardt iss mit der trainen gewoerken mit mailen. He vass commenzin mit der grosse hufen puffer mit coal geskupen und now mit der lowdish getooten and stinken dieseler. Ich been ein aulten mann und been not understandern alles. Auber Erhardt is dinken he vill be das job withouten iffen das mailen and envelopin mit desen grosse zoomer boomers is gefiyian. He vants I shuld mine Congressenman gescribblin to tellen vas a goodische mann is Herr CUNNINGHAM who kompt fun Omaha.

Also ich been vorryin mit das zoomer boomer vas is gerpeepin mit kameran in das backyarden fun diese Kremlin. Varoom he is gettin gecaughten?

Leben zie so viele yahren as da fuchs um schwantz hadt haaren.

Zinserely,

WALTER WIENERWURST.

HOUSE OF REPRESENTATIVES,
Washington, D.C., May 10, 1960.

Howdy.

I has just contracted yore cook book and Ise powerful greatful.

Some of the vittles talked of shore sound scrumptus but it is quite a contrasatory to the grub fed in our Ozarks. We'uns air attached to the beans, tatters, maters, pork, cornbread, poke greens, and 'lassus we'uns been fetched up on, but bein' of the sportin' kind—I'll have Ma stew up a batch and try it on tha youngens!

Yourn,

His mark (X)
A. S. J. CARNAHAN.

P.S.—Translated from Ozark into English: "We wish to acknowledge receipt of your recipe book and sincerely thank you."

A. S. J. CARNAHAN.

Statement of Hon. Robert Lovett to National Policy Machinery Subcommittee

EXTENSION OF REMARKS
OF
HON. JACOB K. JAVITS
OF NEW YORK
IN THE SENATE OF THE UNITED STATES

Tuesday, May 17, 1960

Mr. JAVITS. Mr. President, earlier in this session, Robert A. Lovett testified before the Subcommittee on National Policy Machinery, of which Senator JACKSON is chairman, and of which I have the honor to be a member. This testimony attracted widespread interest and comment when it was subsequently released, but a number of articles published subsequently interpreted certain comments of Mr. Lovett as being critical of President Eisenhower. In order to make clear that Mr. Lovett's testimony was both in word and intent directed at the institution of the Presidency and not at President Eisenhower personally, Senator MUNDT, ranking Republican member of the subcommittee, wrote Mr. Lovett and received a reply making this intent completely clear.

I ask unanimous consent that the exchange of correspondence between Senator MUNDT and Mr. Lovett, and an article on the subject by Arthur Krock printed in the New York Times of April 14, 1960, may be printed in the RECORD.

There being no objection, the letters and article were ordered to be printed in the RECORD, as follows:

MARCH 30, 1960.

Mr. ROBERT LOVETT,
Brown Bros., Harriman & Co.,
New York, N.Y.

DEAR MR. LOVETT: During March you graciously appeared as the leadoff witness before the Subcommittee on National Policy Machinery, of which I am a member. At the close of your appearance, the subcommittee went into executive session to receive your comments on the operations of the National Security Council.

Throughout your discussion of the NSC you referred to "the President." At the time, it was my impression that you were analyzing the position of President. Subsequent published articles have been based on the assumption that you described the activities of the present incumbent of the Presidency, Dwight D. Eisenhower.

One of these articles was a column by Mr. Walter Lippmann on March 1. Several days later I attempted to clarify the matter through a statement for the RECORD. Attached is a copy.

Unfortunately my clarification statement seems to have clarified nothing. Your testimony still is be interpreted as applying to President Eisenhower. I would appreciate very much having a short note from you as to the meaning you intended to give the phrase "the President" in your executive testimony. I hope to insert it in the committee record.

Again may I say that your basic statement before our subcommittee was most interesting and pertinent. With kindest regards, I am,

Cordially yours,

KARL E. MUNDT,
U.S. Senator.

ROBERT A. LOVETT,
New York, N.Y., April 4, 1960.

Senator KARL E. MUNDT,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MUNDT: On my return to the office today from the Pacific coast, I found awaiting me your letter of March 31 requesting clarification of the meaning of certain language in my comments on the National Security Council given in executive session before the Subcommittee on National Policy Machinery.

You are correct in your understanding that my use of the expression "the President" meant "a President," or "any President," and not specifically the present incumbent. I have made this same answer to Gordon Gray, special assistant to the President, who made the same inquiry of me by telephone while I was in California.

You will recall that, in my opening statement, I said (last sentence, p. 12, of the subcommittee printed record, pt. 1) that "It should be clear, therefore, that none of these observations is intended to be critical of any individuals or of operational decisions." The few paragraphs I had written dealing with NSC were excised from my public statement and were given in executive session in accordance, I am informed, with the terms of an understanding reached at the request of the White House regarding the handling in executive session of questions on NSC matters. The sentence quoted above naturally applies, as you rightly understood, to all my testimony in both open and executive sessions.

In view of the public interest shown in the subcommittee's hearings, it is not surprising to find some agencies or individuals who feel that the shoe might fit. I know of no way to keep them from trying it on for size.

With my thanks for your kind letter and cordial personal regards, I am,

Very sincerely yours,

ROBERT A. LOVETT.

HOW TO MAKE A SHOE FIT ANY FOOT

(By Arthur Krock)

WASHINGTON, April 13.—Since Robert A. Lovett testified before Senator JACKSON'S subcommittee several weeks ago, the impression has been growing that he definitely subscribed to some of the harshest criticisms of President Eisenhower and the National Security Council in their mutual relationship. Some news dispatches and analyses of Lovett's testimony, and a Senate speech by Senator FULBRIGHT, are important sources of this public understanding.

The chairman of the Foreign Relations Committee concluded that the former Secretary of Defense "indicated that the President (meaning Eisenhower) leads a dangerously sheltered life as Chief Executive." Also, that Lovett "said * * * the NSC protects Mr. Eisenhower from the debates that precede policy decisions."

The transcript of Lovett's testimony, both in open and executive session, does not establish either of these conclusions, or the assumptions in the press that when Lovett referred to "the" President, he always meant Eisenhower. What the transcript does establish is this:

1. At the outset of his testimony Lovett stated a caveat. It was that his remarks would be "based for the most part on notes made" during the Truman administration, and that he intended "no direct reference to any individuals or specific decisions."

2. But he did not regularly repeat this caveat. Therefore, when he answered, and agreed with, questions about "NSC procedures" and "the President," so phrased they could have been taken to apply to the Eisenhower tenure, it was possible to assume that the witness replied in kind.

3. But close inspection of the transcript shows that the former Secretary of Defense conceived he was discussing "a" President and the National Security Council as an institution, and he has since said as much. Apparently he relied on his opening caveat to prevent hypothetical exchanges in executive session from being interpreted as applying specifically to Eisenhower and the current procedures of the National Security Council.

QUESTIONS AND ANSWERS

The following are such exchanges:

Mr. JACKSON. Do you think the Security Council can operate effectively, as it was designed originally, if you have a large number of participants?

Mr. LOVETT. I would have very great doubts about its ability to operate in a mass atmosphere. I think it would inhibit fair discussion * * * [and] be an embarassment as regards the vigor with which a man might want to defend his position. I think it would limit the quality of the debate which the President ought to hear.

Mr. JACKSON. You do not necessarily lighten the load of the President by bringing to him agreed-upon papers where no decision is involved, other than to say, "We will go ahead with this." Don't you think there is confusion on the point that there is a tendency to help the President, to lighten his load, by trying to do his constitutional work for him?

Mr. LOVETT. I think the President in his own protection must insist on being informed and not merely protected by his aids, [it being] a tendency of younger assistant * * * to try to keep the bothersome problems away from the senior's desk.

Probably it was because the witness did not steadily invoke his caveat, like takers of the fifth amendment before racket inquiries, that many concluded Lovett had conceded the points of criticism involved as currently applicable. But if he fears that President Eisenhower's temperament, his military preference for having issues intensely screened for him, and his awesome renown, inevitably have diluted the essential concept and function of the National Security Council in this administration, Lovett neither "said" nor "indicated" this. And the National Security Council's statistical record—of the President in the chair at 90 percent of the National Security Council meetings, sharp debates in his presence over fundamental differences in policy papers—refutes many assumptions on which major criticisms are founded.

H.R. 5

EXTENSION OF REMARKS
OF
HON. HALE BOGGS
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 17, 1960

Mr. BOGGS. Mr. Speaker, the Members of the House have been advised that H.R. 5, the Foreign Investment Tax Act, will be brought up on Thursday of this week so that the House can complete consideration of the bill. Members will recall the debate on H.R. 5 began on March 8 under a closed rule providing for 3 hours of debate. Two and one-half hours of debate were consumed on that day and debate was suspended until a later date. Thus, when consideration of H.R. 5 is resumed on Thursday, there will only remain 30 minutes of debate, 22 minutes of which are reserved to the minority.

The limited amount of time available for debate on Thursday will not permit a full discussion of a number of points which deserve to be brought to the attention of the House for its consideration in connection with the vote on the bill.

I refer particularly to the fact that the Committee on Ways and Means has adopted two amendments to the bill which it proposes to offer to the House as committee amendments, as provided for by the rule. On April 28 I inserted in the CONGRESSIONAL RECORD the text of three amendments and the text of the press release of the chairman of the Committee on Ways and Means, the Honorable WILBUR D. MILLS, in explanation of the committee amendments.

I want to take this occasion to explain briefly the committee amendments and to commend them and the bill to the House. These amendments were adopted in the light of the debate which took place on March 8 on the bill and are designed to perfect the bill by removing some of the features which evidently gave concern to a number of the Members of the House. I feel confident that the committee amendments successfully accomplish this purpose and that no Member of the House need entertain any reservations about voting for H.R. 5 this Thursday.

I also propose to discuss some of the matters raised by the Members involving general policy questions surrounding H.R. 5. I refer particularly to two matters: First, the question of the impact of H.R. 5 on the U.S. balance of payments and, second, the effect of the bill on American jobs. After giving very careful thought to these questions, I am absolutely convinced that there need not be any concern about H.R. 5 on these two counts.

BASIC PURPOSE OF THE BILL

The basic purpose of H.R. 5 is to permit the deferral—postponement—of the U.S. corporate income tax on income earned abroad by a new type of domestic corporation to be known as the Foreign Business Corporation. The Foreign

Business Corporation will be a corporation that earns virtually all of its income outside of the United States and meets a number of very rigorous tests. Under one of the committee amendments, which I will discuss in greater detail below, the Foreign Business Corporation must earn and reinvest its income in the less-developed countries of the world.

Today, under existing law, a great number of American business firms can enjoy tax deferral by setting up foreign corporations and particularly what are known as "foreign base companies." The Foreign Business Corporation would be a domestic base company. As I have indicated, in order to qualify as a Foreign Business Corporation and to enjoy tax deferral on the income earned, a company would have to meet very rigorous tests, more rigorous than those involved in foreign incorporation. In addition, as I have also pointed out, the Foreign Business Corporation would have to earn its income in the less-developed countries in order to enjoy tax deferral whereas existing foreign base companies can earn their income anywhere in the world.

The modest character of H.R. 5 is, I think, quite evident. Nevertheless the bill is important. A number of American firms, particularly small business firms, are either not able or not willing to incorporate abroad in order to get tax deferral. Foreign incorporation is generally regarded as a cumbersome and expensive business and often does not lead to rational management of business operations. H.R. 5 would make it possible for these American firms to enjoy parity with other American firms that have been able and willing to go abroad—at least so far as operating in the less-developed countries is concerned. H.R. 5 would also—and this is most important—improve the competitive position of American firms abroad relative to the position of their foreign competitors. The United States stands virtually alone among the major countries of the world in not providing the kind of tax treatment involved in H.R. 5. Finally, H.R. 5 would serve as an incentive to American private investment in the less developed countries and would serve, therefore, to advance our foreign policy objectives which are being met through Government aid. It is only through expanding private investment that the prospect of reducing Government aid to the less developed countries can be realized.

COMMITTEE AMENDMENTS TO H.R. 5

The two amendments to H.R. 5 that will be offered to the House would accomplish three purposes. They would:

First, limit the provisions of H.R. 5 to income earned and reinvested in the less developed countries;

Second, eliminate the so-called gross-up with respect to the dividend income received by the foreign business corporation; and

Third, make a corporation ineligible as a foreign business corporation if it has been operating abroad under substandard labor conditions.

Limiting H.R. 5 to investment in the less developed countries means that the provisions of the bill would act as incentives to investment in the less developed countries only. It is in these areas of the world that private investment is most desperately needed and where the development of private enterprise is essential for long-term economic growth and political stability.

The elimination of gross-up is a highly technical matter. A number of the minority members of the committee, in the floor debate of March 8, objected to the inclusion of this provision in H.R. 5 on the grounds that it discriminated against the Foreign Business Corporation provided for in H.R. 5. Since that time, the Committee on Ways and Means has held public hearings on gross-up legislation which, if enacted, would apply to all domestic corporations including the Foreign Business Corporation. It was felt that, in view of this pending bill, it was not necessary or desirable to have a separate gross-up provision in H.R. 5.

The committee also adopted an amendment providing that a corporation would be ineligible for the benefits of H.R. 5 for any taxable year in which it was found to be operating abroad under substandard labor conditions. The wage standards involved would be those of the foreign country in which it was operating. The committee felt that, since the expansion of U.S. private investment was essential to the effectuation of important goals of national policy, the positive results of such an investment should not be endangered by a corporation operating in a less developed country under labor standard conditions that were below the minimum standards of the country concerned and still be able to enjoy the advantages of H.R. 5. This provision of the bill will not be administered in a harsh and punitive manner. It is expected that adequate opportunity will be given a corporation to raise its standards in order to conform with the required standards.

REVENUE EFFECTS

The Treasury Department has estimated that, with the amendment limiting H.R. 5 to less developed countries, the revenue effect of the bill will range between $30 to $40 million a year. This is a reduction of over 50 percent and, indeed, more like a two-thirds reduction, in the revenue effect that was estimated for the bill as originally reported by the Committee on Ways and Means.

It is important to emphasize that this revenue effect does not involve an ultimate revenue loss for the Treasury. H.R. 5 does not provide for tax reduction; it only provides for the postponement of tax. When the earnings from foreign investments are returned to the United States, as they ultimately must, the full U.S. tax will be paid. Moreover, by promoting investments, H.R. 5 also promotes the future flow of income from investments and hence increases the revenue from such income which the Treasury will collect. I firmly believe that tax deferral should be regarded as a short-term investment by our Government in American private enterprise abroad that will yield good returns to the U.S. Government, to the Treasury Department and to American business in the years ahead.

ADMINISTRATION SUPPORTS H.R. 5

The administration has indicated its support for H.R. 5, as amended, because it gives effect to the President's recommendation, contained in his budget message this year, for the enactment of tax deferral legislation limited to income earned and reinvested in the less developed countries of the world. In a letter from the Treasury Department to the chairman of the Ways and Means Committee it is pointed out that the administration has urged that further steps be taken to encourage private investment in the less developed countries abroad and that H.R. 5 is in accord with this specific recommendation of the President.

I also understand that the committee amendments to the bill have satisfactorily met the reservations that a number of groups have had to the enactment of H.R. 5. The AFL–CIO, which indicated its opposition to H.R. 5 when the bill was first brought up, has now urged the passage of H.R. 5, as amended.

H.R. 5 AND THE U.S. BALANCE OF PAYMENTS

There has been some concern expressed about the question of promoting private investment abroad at a time when the U.S. balance of payments has manifested a deficit. It is, therefore, worth while to examine briefly the relationship between private investment and the U.S. balance of payments and the effect of H.R. 5 thereon. Before doing so it is useful to take a look at the recent developments in the U.S. balance of payments to see what has been happening and particularly to note whether our balance of payments problem is as serious today as it was a year or two ago.

The evidence is very encouraging. In the Foreign Commerce Weekly, for May 9, 1960, a publication of the U.S. Department of Commerce, there is a detailed discussion of the remarkable improvement in U.S. exports. I quote the lead paragraph in this article:

> Sales of U.S. goods abroad displayed considerably increased vigor in the first 3 months of this year, following their rebounds in the second half of 1959. Nonmilitary shipments, totaling $18.4 billion at a seasonally adjusted annual rate in January–March, as compared with $15.4 billion a year earlier, showed the greatest strength apparent in more than 2 years.

The improvement in our exports reflected a 20-percent increase over the same period in 1959 and March exports were larger than in any month since June of 1957 when exports were inflated by the post-Suez situation. The gain in exports this year was shared by all major categories of U.S. exports.

It is interesting to note that exports to Western Europe—a prime target for American investors in recent years—rose 40 percent in January and February 1960 above the corresponding months of 1959. Exports to Japan were also higher by 40 percent than for the same period in 1959.

With the improvement in our balance of payments the gold outflow that was of so much concern in 1958 and 1959 has slowed down to a trickle. I understand that there was a smaller gold outflow in the whole first quarter of 1960 than was recorded on the average for any month in 1959.

Not only has our balance of payments situation shown very encouraging signs of improvement so that we need be less concerned about our balance of payments, but it is also very important to recognize that U.S. direct private investment abroad has not been a factor in our balance of payments troubles. There is one fact about investment and our balance of payments that is not well known and deserves wide attention. It is that year in and year out since the end of World War II, and even before, the income that we have earned from our direct investments abroad has exceeded the outflow of new direct investment.

Every year we have been taking in more in income than we have been sending out in new investment. This has been an important plus factor in our balance of payments—almost as important in 1959 as our export surplus. Thus, over the last 5 years, 1955–59, the excess of our direct investment income over our direct investment outgo has totaled $3.5 billion. Thus, direct investment transactions have on balance supported our balance of payments to the tune of $3.5 billion over the past 5 years. In 1958 and 1959, the excesses of income over outgo on direct investment account equaled $1.1 billion and $0.9 billion respectively.

Nor can it be argued that direct investment outflows helped cause our balance of payments problems in 1958 and 1959. The fact of the matter is that direct investment outflows were lower in 1958 and 1959 than in 1957 which was a year of balance of payments surplus for the United States.

Actually we can look forward to income from our direct investments offering an important support for our balance of payments in the years ahead. Direct investments abroad also help U.S. exports as can be seen in the record of exports to Western Europe this year which I cited earlier.

The "Staff Report on Employment, Growth, and Price Levels" prepared by the staff of the Joint Economic Committee of the U.S. Congress and published on December 24, 1959, confirms these observations. The following quotation is taken from this report:

> Taken by itself, the net contribution of private capital investments abroad cannot reasonably be accused of causing balance of payments problems. To say this, however, requires the setting against one another of private foreign investment outflows and private earnings on foreign investment. If, at this period, U.S. business stopped investing abroad, the balance of payments deficit would be reduced to a negligible amount However, if the fruits of past private foreign investment were also eliminated, this proposition would be vitiated. It seems a more reasonable approach to take the net of these two flows, which gives private foreign investments to date a pretty clear bill of health.

A recent interim report by the Committee on Interstate and Foreign Commerce of the U.S. Senate, prepared in connection with its special study of U.S. foreign commerce and dated April 25, 1960 had this to say in connection with the subject of private foreign investment and our balance of payments:

> Reducing the flow of private investment abroad would contradict a major thesis of our economic assistance policy, hobble the competitive power of U.S. industry in world commerce and, in the longer run, diminish the returns from foreign investment which are an important entry on the income side of our international ledger.

JOBS, EXPORTS, AND FOREIGN INVESTMENT

It has been contended that private investment abroad reduces U.S. exports and hence takes away American jobs. What truth is there to this contention? I think the evidence shows that far from reducing American exports and taking away American jobs, private investment abroad creates markets for American exports and hence helps create American jobs.

First, let me say that H.R. 5 would not take away investment money that would otherwise be invested in the United States and induce American corporations to invest that capital abroad. H.R. 5 provides the deferral of U.S. tax on income earned abroad. It, therefore, operates as an incentive to reinvestment abroad of incomes earned abroad. To put it briefly, it promotes the plowing-back of foreign earnings. Once the foreign earnings come back to the United States and enter the domestic capital market they will be subject to the full U.S. tax. Thus, H.R. 5 will not take capital away from investment in the United States and from the creation of jobs in the United States. As a matter of fact, if an American corporation has decided to invest abroad, H.R. 5 would make it possible for that corporation to finance more of the investment out of its foreign earnings and correspondingly less of the investment out of its domestic capital.

Neither would the bill result in a reduction of U.S. exports and the production abroad of goods that were formerly exported from the United States. As we all know, there has been a sizable amount of U.S. investment abroad particularly in Canada and Western Europe in the last few years. Has this investment resulted in a decline of the U.S. exports? Let us take Western Europe for example. There has been a substantial amount of investment by U.S. corporations in the six countries that make up the common market. Yet, despite this fact, our exports to the common market countries have actually increased. In the first 2 months of this year U.S. exports to the common market amounted to almost $550 million. This was 52 percent above our exports for the same period in 1959 and 36 percent above our exports for the same period in 1956, a year which we tend to regard as a high export year.

Another test of whether U.S. investment has impaired our exports can be made by examining the decline in our exports that took place in 1958 and 1959 to see whether these declines in exports were attributable to American investments abroad. Our exports declined in such categories as raw cotton, iron and steel mill products, nonferrous metals, civilian aircraft and petroleum. In no case did our exports decline because the exports markets for these products were being supplied from overseas sources by American companies.

Even in the case of imports into the United States, the increase that we have experienced over the past few years is not attributable to goods produced by American investment abroad. As you know, H.R. 5 contains a provision that would make a corporation ineligible for the benefits of H.R. 5 if it reexported to the United States, directly or indirectly, goods that had been produced by it abroad. The provision in the bill says specifically that a corporation will be ineligible for the benefits of H.R. 5 if more than 10 percent of its gross income is derived from the sale of goods in the United States that were produced abroad.

I think it should be appreciated that the less developed countries of the world are not good markets for U.S. exports for the simple and basic reason that these countries are poor. Investment abroad, as investment at home, creates wealth and income. It is only through investment that production can expand, standards of living rise and markets be developed. Investment by private U.S. companies will produce goods that these countries cannot afford to buy today from the United States. But in the process these countries will become markets for U.S. exports and this will create jobs in the United States.

This is surely the lesson of American history. We export the most to those countries with the highest standards of living and in which American enterprise has the greatest investment. The following table shows this clearly:

	Income per capita	*Per capita purchases from U.S.*
Canada	$1,436	$234.0
Great Britain	958	21.0
France	846	13.0
Germany	742	18.0
Italy	404	14.0
Japan	254	13.0
Egypt	109	1.5
India	61	1.1
Pakistan	52	1.3

I therefore do not think that there is a basis for concern about the effect of H.R. 5 either in terms of what it might do to exports and jobs at home or in terms of the effect that it might have on the balance of payments. On the contrary, it seems to me that through offering this modest, but important, incentive to private investment in the less developed countries we will help these countries to develop and to become good customers. Beyond that we would be advancing important objectives of national policy through the utilization of private enterprise which is our secret weapon in the cold war with the Sino-Soviet bloc.

In Answer to Soviets: Congressman Curtis of Missouri Urges New Weapons To Fight an Economic War

EXTENSION OF REMARKS
OF
HON. BOB WILSON
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 17, 1960

Mr. WILSON. Mr. Speaker, during past weeks, the Nation's press has been subject to considerable criticism and analysis. Many news media are, however, doing a thoughtful, careful and constructive reporting job in the public interest. A good example of this is an interview by Sid Goldberg, news editor, NANA, with my colleague, TOM CURTIS. Mr. Goldberg, who is an executive of NANA, seldom personally covers news breaks and does interviews because he is in charge of the gathering and transmission of news. However, as an experienced and skilled reporter, occasionally he does do a story of national significance and importance. His thoughtful analysis of the points raised by Congressman CURTIS in discussing that peace can be maintained both through a strong military defense but also sound economic policies, both at home and abroad, has been very favorably received by the Nation's press. This interview has already been printed in the editorial sections of the St. Louis Globe-Democrat, Atlanta Constitution, Louisville Times, New Haven Register, among others.

I am familiar with the work of NANA because one of my hometown papers, the San Diego Union, carries this service. In days when there is a tendency to publicize the spectacular, I wish to commend Mr. Goldberg, Mr. CURTIS, and NANA in presenting to the public a forward looking analysis of economic steps that can and should be taken in our relations with countries overseas and, at the same time, protect the jobs of American workers:

IN ANSWER TO SOVIETS, LAWMAKER URGES NEW WEAPONS TO FIGHT AN "ECONOMIC WAR"

(By Sid Goldberg, North American Newspaper Alliance)

NEW YORK, April 16.—A key Congressman, in response to Premier Khrushchev's declaration of economic war, proposes strong countermeasures to Soviet "dumping," a complete revamping of the U.S. tariff system, and creation of a secretary of foreign economics as a full Cabinet member.

"Khrushchev has challenged us to economic war, but our arsenal is empty of effective weapons in this field," says Representative TOM CURTIS of St. Louis, Mo. "We've got the bombs and missiles to stand up to Russia in a military showdown, but in a battle between economies—the kind we're now being forced into—the United States is almost defenseless."

CURTIS, the only Missouri Republican holding high elective office, is the ranking minority Member of the House-Senate Joint Economic Committee and fourth-ranking Republican in the House Ways and Means Committee.

Now completing his fifth term in the House, the 48-year-old Congressman has been mentioned in the press as a running mate for either Vice President NIXON or, should he be drafted, Gov. Nelson Rockefeller of New York.

PROPOSALS NOTED

The first of CURTIS' unorthodox proposals is the establishment of a U.S. Trading Corpotion (USTC), capitalized by the Government at $1 billion with a potential of up to $4 billion. Purpose of the corporation would be to enable U.S. firms to compete with the artificially low prices set by Soviet state trading monopolies. Payments from the corporation would assure a U.S. firm of a fair profit margin if it were forced to drastically lower its prices to meet the monopoly prices of Russia.

"Right now Russia is engaged in the same kind of unscrupulous business practices that were outlawed by our antitrust legislation in the last century," CURTIS explained in an interview during a visit here.

"The U.S. exporter, in competing with Soviet monopolies, often is up against the type of unfair competition that many small businessmen faced in American before the Sherman Antitrust Act," he said.

The St. Louis Congressman stresses that the Corporation would be designed as a defense only against totalitarian economies such as Russia's, and would go into action only when U.S. firms could prove they were up against unscrupulous foreign competition.

"There must be built-in safeguards against U.S. firms taking advantage of the Corporation," he continued. "Some firms inevitably would try to blackmail the Corporation into helping them underbid foreign competitors. But payments would be made only when the competition could be shown blatantly unfair."

TOM CURTIS cites several examples of how Russia cuts corners in its economic war with the West. Two years ago it tried to create anarchy in the world aluminum market by dumping vast quantities of the metal at below-cost prices. At the same time it outbid the United States for Icelandic fish, trying to tie the island's entire foreign trade to Kremlin purchases.

RETALIATION THREAT

He also points out that Poland recently agreed to supply Cuba with textile machinery; yet for several months Poland was negotiating to buy textile machinery from the United States, claiming a serious shortage at home.

"This kind of trade deal often is expensive economically to the Soviet bloc, and is entered only when an outstanding political goal can be achieved," CURTIS said. "Perhaps the mere threat of U.S. retaliation through the trading Corporation would be enough to dissuade the Russians from these practices.

"Just as the possession of the hydrogen bomb works as a deterrent to military aggression, existence of the trading Corporation could work as a deterrent to economic forms of aggression," he suggested.

CURTIS hopes that the Corporation, if set up, some day could be internationalized, growing into an "economic court of justice" that would eliminate the cutthroat practices that still persist in international trade.

Regarding U.S. tariffs, CURTIS believes the whole system is outdated. "It regulates but it doesn't stimulate," he said. "The tariff should be an economic wedge that we could use to force an increase in the standard of living around the world."

He believes this could be done by automatically lowering the tariff by a set percentage every time a foreign wage scale goes up. For example, if Japanese textile workers received an increase in pay, the tariff on Japanese textiles would be lowered proportionately. Similarly, when a foreign wage rate goes down, the U.S. tariff would go up.

CURTIS says it is inconceivable that we can have healthy trade relations with countries where workers are paid a 10th or a 20th of the U.S. scale. He cites the Peruvian miner, who earns 8 cents an hour—compared to the $1.50 an hour earned by his American counterpart.

EMPLOYERS COULD PAY MORE

"Our miners may be 10 times more efficient than Peru's, or even 15 times; but I refuse to believe they are 20 times better," he said. "Although employers in underdeveloped countries naturally can't pay U.S.-scale wages, they certainly can afford to pay more than they are. One way to encourage them is through a carrot-and-stick tariff policy."

CURTIS says the United States need have no guilty conscience about "meddling" in the wage policies of foreign countries. "If you call this 'interference,' then I'm all for more 'interference' of this kind," he says. "People will eat better."

The Congressman is not dispirited that neither the trading corporation nor the new tariff system has majority support in Congress. He has tried twice without success to push through the necessary legislation. But he believes that, as the Soviet economic threat intensifies, and as the needs and demands of underdeveloped countries continue growing, pressure for a new approach to foreign economic policy will become compelling.

"The problems already have become so vast that the State Department no longer can handle them," he said. "What is needed is a new Cabinet position, a Secretary of Foreign Economics, devoted entirely to the questions of export-import, tariffs, the Soviet economic challenge, and our aid and trade agreements. Several European Governments have had such cabinet posts for many years, and it is time we got around to having one ourselves."

Herbert J. Pascoe Educational Scholarship Foundation

EXTENSION OF REMARKS
OF
HON. PETER W. RODINO, JR.
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 17, 1960

Mr. RODINO. Mr. Speaker, under leave to extend my remarks, I should like to include a statement which I made at the seventh anniversary dinner of the Herbert J. Pascoe Educational Scholarship Foundation, which was held on Sunday, May 15, in Newark, N.J. The foundation was set up to encourage young people to enter the field of education by awarding scholarships to aspiring young teachers. This year, scholarships were awarded to two outstanding students; Joyce Tuzzolo, of Bloomfield, N.J., and Rosalie Notto, of Phillipsburg. Both of these young women were selected because they demonstrated their superior academic ability and excellent potential for the profession which they have chosen for themselves.

The statement follows:

REMARKS BY CONGRESSMAN PETER W. RODINO, JR., AT THE HERBERT J. PASCOE EDUCATIONAL SCHOLARSHIP FOUNDATION SEVENTH ANNUAL DINNER

It is a great pleasure to greet you once again at this commemoration of 7 years of fruitful activity by the Herbert J. Pascoe Educational Scholarship Foundation.

There could be no more fitting memorial to Herbert J. Pascoe, who himself made a

great contribution to education in this State, than the dedicated work of the Foundation.

The lives of boys and girls throughout the State of New Jersey are already being affected and enriched by the leadership of Herbert J. Pascoe scholars who have now graduated and joined the dedicated ranks of their chosen profession.

Through your efforts many young people have become teachers who otherwise might have been attracted elsewhere, and many have attended college who might otherwise not have been able to do so.

The broad problem of higher education has come into sharp focus in recent years as we realize how essential is a college-trained and college-educated citizenry to our very survival.

The complex problems of living in this nuclear age makes bare literacy hardly sufficient. And the challenge of keeping pace with the technological advance of the Soviet Union—a challenge we must meet—further underlines the importance of higher education.

Unfortunately, the recognition of these basic truths has not yet spurred us on to adequate action.

While the Soviet Union is graduating more teachers, more scientists and more engineers than ever before, we complacently permit an appalling wastage of our human resources. It has been estimated that over half, and possibly three-quarters, of our qualified and capable students, with demonstrated academic ability, fail to go on to college.

Perhaps a major reason why so many of these young people do not go to college is because of a lack of adequate personal funds to finance their education. Part of this gap is being filled by the efforts of this foundation, and by similar private groups throughout the country. Another part of this gap is being filled by the National Defense Education Act, which in the 2 years since its passage has enabled many young people to go to college.

But I do not think I shall offend this organization, nor shall I offend the Federal Government, when I say that all of these efforts are only a drop in the bucket. The dimensions of the need are simply too great and too overwhelming.

And the problem is not alone that of finances. As graduation time approaches I receive dozens of letters every week from high school seniors who plead with me for help in getting into college. It is tragic, but true, that students with A or B averages, with well-rounded and impressive records, are being turned away every day by our colleges and universities. The schools have 5, 10 or even 15 applications for every opening. As a result, even those who could pay their own way are forced to forego their lifetime ambitions.

The problem is becoming more and more acute in New Jersey, which has always exported the majority of its high school graduates to out-of-State institutions. I understand from the press that other State universities have already given notice that the increasing pressures of their local applicants will require them to give less and less consideration to the New Jersey student in the future.

We cannot continue to permit our potential human resources to lie fallow. It is not my purpose, in this brief statement, to suggest the details of a solution. I merely wish to stress that the solution requires the concerted and dedicated efforts of all our citizens on all fronts and on all levels. It requires a program of national scope and with national support. Above all, it requires our united conviction that the need is too urgent to be set aside or ignored.

We in this country, have indeed, bet all our chips on the enlightenment of our people. We have placed all our faith, all our hope, upon the education, the intelligence and the understanding of our body politic. We have said that ours is a Government conducted by its citizens, and from this it follows that our Government can only be properly conducted if our citizens are well educated.

The manner in which we accept the challenge to provide those citizens with educational opportunities may well determine the future course of our destiny.

The Fallacy of High Interest Rates

EXTENSION OF REMARKS

OF

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1960

Mr. DINGELL. Mr. Speaker, attempts to raise the interest rate on long-term U.S. bonds, will have an adverse impact upon our economy. The tight-money policy saddles this Nation with one of the most fantastic economic theories ever advanced.

Since 1953, the Eisenhower administration has persistently sought to effectuate higher and higher interest rates. As I have stated before, the rise in interest rates has been nothing less than scandalous. Hiking of interest rates has only one function, to create spirals of increasing costs on every item, transaction, and commodity, sold or purchased in our economy. These increased interest rates must be borne by the borrower, while the lender reaps tremendous additional profits for no good reason whatsoever.

The action of the Republican Party, self-professed disciples of the balanced budget, in straight-facedly urging a higher interest rate—which will among other things increase the cost of Government indebtedness—while at the same time, accusing the Democratic leadership of wild, inflationary spending, would be indeed comical if it were not so vicious.

The tight-money policy is dangerous because it tends to restrict our Nation's economic growth. Topflight economists have been quick to point out that pursuit of a policy such as this at a time when our economic growth is already retarded, as evidenced by the high unemployment statistics, serves only to further curb our productive capacity. Unfortunately, inflation is not retarded by increased interest rates. High interest rates accomplish higher costs with no corresponding increase in output. For example: the increased cost to the taxpayer of a quarter of 1 percent rise in interest on $1 billion worth of Government bonds is $2.5 million a year. Yet none of this increased cost gives the taxpayers a dime's worth of additional services; rather, it further raises the cost of all the other money borrowed, since this increase is passed along in other loans, mortgages, and financing plans. For instance, such a proposed interest raise would increase the cost of buying a home, and this would make homeownership more difficult.

Recently, Senator WILLIAM PROXMIRE illustrated how increased interest rates have raised the cost of each typical elementary school by $150,000. The results of the tight-money policy in the school program alone have cost the Government an additional $675 million each year. This increased burden on school construction and education in the United States is directly attributable to the Republican administration's tight-money policy. The additional money did not go toward increased construction costs, or for the wages of workingmen, or even to the building contractors. Instead, this money went to the moneylenders, the financiers and investment corporations, and banks. It was sweated from the hides of our citizens.

The effect of tight money on private housing is already observable. Despite the continued pressing need for decent housing, it is estimated that there will be some 200,000 less homes built this year as compared with the year 1959, in which only 1.3 million new homes were built. The main reasons for fewer new homes; lack of mortgage money and the high interest rates, both the natural result of the Republican tight-money policy.

The more carefully the tight-money policy is analyzed, the more fantastic it becomes. Inflation can be successfully curbed, according to the administration, if the runaway boom in this country is nipped by making money more difficult to obtain. Money can be made more difficult to obtain by making those seeking it pay more interest when they attempt to borrow it. But how can this theory possibly work when the increased interest rate will only affect those who have need of the money markets; namely, the consumer and small business. It is they who must pay the increased interest rate oftentimes for commodities that are necessary to them and vital to our economy. Thus bankers prosper while the consumer staggers under an increased cost for borrowing money or mortgages, while the big corporations go unscathed. Yet it is the huge corporations who can, and do, swell their profits by continuous price hikes, thereby directly contributing to an inflated economy.

Not only has tight money failed to curb inflation, it has directly and unmistakably promoted it. The cost of living has increased in spite of this misguided act of clamping down on the little man. Billions of dollars have been lost as a result of only partial economic productivity. With at least 3½ million unemployed, and no reduction in sight, there is nothing to justify the currently high interest rates or an increase in them. Certainly we must scrap all economic theories which prevent the economy from developing in a manner that will permit it to support full employment. In Detroit, there are absolutely no signs whatsoever that point to a boom. Indeed, the opposite is true. Unemployment is still a serious problem, small business is in bad shape by any standard of measurement, and taxes and revenue from all branches of government are falling off. This then, is obviously no time to be raising interest rates. Already the number of second land contracts, second mortgages, and other

shaky security devices grow more numerous; and at the same time, there has been a drastic increase in the number of foreclosures. These are the results of this artificial scarcity of money that the administration seems determined to accomplish at any cost to the national economy. The tremendous costs of these already high interest rates that have been heaped upon millions of wage earners as well as small businessmen and home buyers, permitting moneylenders to reap a tremendous profit without providing any additional service whatsoever is disgraceful. To surrender to the moneylenders of this country by indulging them in this selfish desire, is unnecessary.

May I point out that since World War I, through the booms, depressions, and crises, this country has successfully met its fiscal needs without the necessity to exceed the 4½-percent interest rate ceiling on long-term U.S. bonds. I believe these bonds can attract buyers as they always have without the necessity of raising the interest rate. Whatever shortage of loanable funds that may arise from time to time, is, at most, a temporary situation.

I further charge the Republican administration with promoting a scare campaign about inflation, which besides being an irresponsible act in itself, operates to discourage investors in long-term bonds of any kind, but rather encourages them to buy stocks. Republicans from the President down have engaged in this inflation scare to justify various policies and results of the present administration. Why should the interest rates on long-term U.S. bonds be increased at a time when these rates are now at an alltime 35-year high? It would only add billions to the tax bill of working Americans, and to make it worse, would operate to further inflate all other interest rates as well.

Ever since Mr. Eisenhower's first Secretary of the Treasury, Mr. Humphrey, boosted interest rates, interest rates in all fields have been steadily increasing. Surely the tight-money policy should prove to its Republican supporters that the inflationary atmosphere created by the gigantic corporations in this Nation cannot be deterred by the tight-money policy, primarily because they have no necessity to go to the moneylenders. The giant industries of steel, oil, automobiles, and drugs, can and do administer their prices upward, without any regard whatever for a tight-money policy that is supposed to curb inflation.

Millions of average American families have been hit hard by tight money. For example, over the last few years, higher interest rates on FHA mortgages have added thousands of dollars to the cost of buying a home.

In the final analysis, high interest rates increase all prices; they inflate the cost of raising a family, of buying a home, car, or appliances, and of raising small business capital. Thus, high interest costs are a major factor in the spiraling prices.

Are not two recessions since the Republican-sponsored tight-money policy sufficient proof of its ineffectiveness?

In my view, the President's recent request for a higher interest rate on U.S. bonds is more than just bad economic judgment. It reflects concern for the bankers and the money lenders in preference to the welfare of the entire Nation. Such callous indifference to the economic necessities of the day are inexcusable. It is my intention to bring the facts to the American people for it is they who must know who in Government would make them economic pawns of the vested interests of this country.

Funds for the Building of Schools and Paying of Teachers

EXTENSION OF REMARKS
OF
HON. WILLIAM G. BRAY
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 17, 1960

Mr. BRAY. Mr. Speaker, there has been much said in our country about the need for good, sound education for American youth. I believe that all of us will agree that we do want such education provided for them. I believe that the State of Indiana has been trying to provide such education.

The building of schools, their maintenance, and the employment of an adequate number of capable teachers are very expensive and such costs will increase as time goes on. The taxes to support this educational system are falling heavily on property owners, especially the owners of homes, farms, and small businesses. In some school districts, especially those where the children live and go to school in one district and their parents are employed in another, the property taxes for the building and maintenance of schools have pushed the local property tax levy to seven, eight, and even as much as nine and ten dollars per hundred dollars of taxable property.

In order to alleviate this burden, taxpayers are considering many alternatives. For years it has been suggested that the Federal Government contribute heavily to the support of our schools, but that, too, entails several problems. One is that the Federal Government is, as we know, heavily in debt, and in the end the taxpayer is also paying for all of the Federal money, plus the expense of Federal bureaucracy. If Federal money is to be used, a problem also arises about the formula for allocating the money among the various States and school districts. Some say that Federal assistance should be according to the need of the respective States. This could lead to a great unfairness, as a State which has refused to tax its citizens to build and maintain its schools, and frankly there are such States, naturally has needs greater than those States which have taxed themselves to give their children a proper education. School districts in Indiana have been leaders in building and maintaining adequate educational systems. Any Federal criteria for either school construction or teachers' salaries that bases that allocation on need would give great advantage to those States which refuse to pay adequate taxes for education. This practice would condone those States which have failed to collect taxes to properly construct and operate their schools, and would encourage these States to rely on the money other States pay into the Federal treasury.

Certain States have encouraged industry to move from Indiana. The State of Indiana has lost considerable industry to these States by giving an exemption on property taxes. That brings about an interesting situation. Several States give industries 10 years freedom from taxes if they will move their factories from Indiana to their State. This industry, which has paid taxes to maintain Indiana schools, goes to another State and pays no taxes. Taxpayers in Indiana employed in that industry lose their jobs and the Indiana school system loses the taxes this industry paid. The industry pays no taxes in its new location so that State has a greater need for the Federal money. If legislation is passed which allocates Federal aid on the basis of need, Indiana would pay taxes to the Federal Government to build schools in these States that take industry away fom Indiana. This situation could go on and on.

However, we must admit that there is a great need to find additional revenue sources to build and support our schools without creating a greater burden on the local property owner.

In addition to these problems arising from proposals for Federal assistance in education, we also have a national fear, and I think a just one, that the Government might dominate our schools and would not exert the same care in spending our tax dollars as the individual States do. It is, fortunately, a problem to which there is a solution.

The Federal Government, through income and excise taxes, has been taking a tremendous tax bite out of our national economy. The Federal Government has, throughout the years, exploited new taxes in an aggressive manner and now dominates the excise, corporation, and personal income tax field. What I propose is that the Federal Government earmark a certain part of the taxes it takes from the citizens of each State to return to that State for educational purposes. The Federal Government would have no claim on this money; there would be no part of it remaining in Washington. The relationship of the Federal Government to this money would be the same as that of the county treasurer in each of the 92 counties in the State of Indiana. If the treasurer is to collect a $3 levy for schools in a certain township or district, all of it, not just part of it is sent to that district.

I have introduced legislation whereby the Federal Government shall return to each State one-half of the tax it collects on cigarettes sold in that State. The State would be obliged to use this money for teachers' salaries or the construction of school buildings, whichever it determines is most needed. This would not encourage a State to cut down on its property taxes in order to get Fed-

eral aid. Each State would get back a certain portion of that which its taxpayers had paid.

I mentioned the possibility of the cigarette tax to an educator friend of mine. He said that it wouldn't be enough. I pointed out to him that if the Federal Government returned to Indiana just one-half of the cigarette tax, that is, 4 cents of every 8 cents tax per pack, it would amount to $24 million per year, which is three times the amount Indiana would receive under proposed legislation. He readily agreed that this legislation would meet their needs. It would be a simple matter to determine how much each State would receive, for all States except three have imposed State cigarette taxes, which require that accurate sales records are kept.

For more than a decade we have heard many voices raised to provide Federal financial assistance to our schools to relieve the burden on State and local revenue sources. These proposals have varied widely but have inevitably become mired down, owing to the problems stemming from the Federal association with the program. If we really want to provide additional money for school purposes here is a way to do it and leave the authority with the States and communities. This will offset much of the criticism of the other proposals and avoid some of the problems which have prevented enactment of other suggestions.

Furthermore, the several alternative plans for Federal aid which have been before the Congress this year are all temporary "stopgap" measures, or so we are told. A rebate of excise tax collections could provide a steady and permanent source of additional revenue for school purposes. There would be no need for congressional wrangles about the distribution of such funds, for each State would receive what it would be entitled to, based on its own consumption.

This approach need not be limited to one-half of the cigarette tax. It could be a greater or lesser proportion of that tax or it could be related to some similar Federal excise tax or a percentage of a personal income tax paid by each State which would provide adequate funds. It does provide an opportunity for persons concerned about this growing financial problem to meet the need for additional school funds and avoid many of the pitfalls of other Federal school-aid suggestions.

Do We Value Our Free Civilization?

EXTENSION OF REMARKS

OF

HON. JAMES J. DELANEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1960

Mr. DELANEY. Mr. Speaker, the Freedom Institute of St. John's University, Jamaica, N.Y., is designed to inform students at the graduate level of the nature and evils of communism as contrasted to the priceless gift of freedom.

In view of the developments at Paris, the following eloquent address given by Senator THOMAS J. DODD at the convocation of the Freedom Institute on May 14, 1960, is particularly timely, and I commend it to the attention of my colleagues:

ADDRESS OF SENATOR THOMAS J. DODD AT THE CONVOCATION OF THE FREEDOM INSTITUTE OF ST. JOHN'S UNIVERSITY, JAMAICA, N.Y., MAY 14, 1960

On Thursday of this week, during debate on the Senate floor, I had occasion to refer to the Pulitzer Prize-winning novel "Advise and Consent," which pictures an America of a few years hence, an America in which demagogs can inflame huge gatherings and bring them to their feet cheering with the slogan, "I would rather crawl to Moscow on my hands and knees than be killed by an atomic bomb."

Should this book prove prophetic, it will mean that our people have rejected the choice between liberty and death made by Patrick Henry and the Founding Fathers, the choice which drew the cheers of America from 1775 down to the recent past.

The fundamental question before the United States and our free world allies in the coming decade is this: Do we value our free civilization enough to run all the risks and meet all the challenges which the Communists will force upon us in the years ahead? It is in the context of this question that I would like to discuss the subject that has been assigned to me today—"Political freedom under a representative government and in a totalitarian state."

I do not think it likely that an ignoble surrender policy will ever be publicly proclaimed by high American officials as their political platform.

Men and nations have frequently betrayed their best interests through fear but they have generally rationalized and disguised their cowardice and not publicly proclaimed it. Surrender, if it comes, will probably come in more subtle ways, but the end result will be the same. We need not look, therefore, for base pronouncements. We must seek out the trend in less obvious signs and guises. And such signs are not wanting.

When the preservation of freedom in West Berlin appeared to run serious risk of war a year ago, there was no dearth of advocates, at home and abroad, for a policy of concession and retreat that would temporarily avoid risk of war at the probable cost of freedom for West Berlin.

There is today a rapidly growing movement, well organized, well represented in the press, movies and TV, in the scientific community and in government, people so fearful of the risks of the cold war, that they are willing to accept nuclear disarmament on almost any terms, with or without an adequate system of detection and enforcement.

These people are not concerned that this could condemn the United States to a military inferiority which would make our eventual surrender or destruction inevitable. They are concerned only with their fears of the present.

And then we have the school of British intellectuals now openly advocating what our own "softies" have heretofore kept below the surface. This group, headed by Lord Bertrand Russell and Philip Toynbee, believes that we must give up nuclear weapons now to assure that they will never be used against us, that we should seek the best terms from the Soviets we can get; but if they should be totally intransigent we should give up nuclear weapons anyway, and submit to Communist control as a preferable alternative to carrying on the present struggle that might lead to nuclear war.

Toynbee states the basic philosophy of this group in the following sentence:

"In the terrible context of nuclear war, even the vital differences between communism and Western freedom become almost unimportant."

Almost unimportant.

This is the neutralist intellectual's equivalent of "I would rather crawl to Moscow on my hands and knees than be killed by an atomic bomb."

It does not matter to these people that by building our strength we maintain a good chance of preserving both our lives and our freedom. It does not matter that the blood bath which historically follows every Communist seizure might take more lives than the A-bomb. It does not matter that the existence they purchased by surrender would be only the exploited existence of a Communist slave.

It matters only that the element of risk is large, and that, to them, any considerable risk to existence is a greater evil than the loss of Christian civilization. They are so overwhelmed at the horror of nuclear destruction that all other values are for them already destroyed and are rendered relatively meaningless.

Whether this neutralist philosophy will remain an isolated view held by an insignificant group, manifesting itself infrequently in test ban rallies or in occasional picketing of Downing Street and the White House; or whether this poisonous creed will seep into the marrow of our national bone structure and paralyze us, will depend upon whether our people really understand, or can be brought to understand, what the loss of national freedom and subjection to Communist tyranny would mean.

There are two basic replies to the neutralist position. The first is that we can avoid both catastrophies, nuclear war and enslavement, by remaining militarily strong and standing firm against aggression. This is a potent argument. It is a tangible argument. It is a demonstrable argument that has thus far worked. It is the basis of our national policy. It has been exhaustively debated, its tenets are widely known, and I therefore forego discussion of it today in favor of the second argument against neutralism, which is less understood and little discussed.

This argument maintains that the political destruction of Western civilization and its system of free institutions constitutes a death for its people and its nations just as violent, just as hideous, just as final as nuclear destruction itself, that there is little to choose between nuclear physical destruction and Communist political destruction.

The detailed knowledge of communism in all its aspects is available; indeed it is abundant. But the evil of communism is so alien, so appalling, so far removed from anything in our own experience, that our intellectuals and our people ignore the evidence.

By and large, men believe what they are prepared to believe, what is familiar to them, what jibes with their own experience. We ignore the clear signs in order to retain our familiar conceptions. We shield our eyes from the reality of communism or we lack the intellectual curiosity to inquire into it.

On the supernatural level, we have read in the lives of the saints of occasions when they were granted visions of human evil as God sees it, and the sight of this evil in its true light was so loathsome, so horrible that they felt they would die were the visions not instantly withdrawn. And ever after they would die rather than commit evil.

So on the natural level, a true picture of atheistic communism would so repel the freedom-loving peoples of the world could they but see it, that they would risk all that they have to defend themselves and their posterity against it. Our task is to bring this true picture before them in every way we can.

Communism can win only in darkness, deceit, error, and falsehood. Freedom can win only in light, candor, logic, and truth. This struggle must be fought on the intellectual front. Once we have won the intellectual struggle for men's minds, the other battles will be easily won and communism will be remembered in history as just another mental plague and torment that cost men dearly.

Your Freedom Institute is a great and early arsenal of truth and freedom. I congratulate St. John's University for exerting leadership in this field as it has throughout its distinguished history in so many fields of learning.

I hope that the Judiciary Committee of the U.S. Senate will favorably recommend, within the next few weeks, the establishment of a National Freedom Academy, an academy which aims to do on the national level what the Freedom Institute is doing here at St. John's University.

It is a relatively easy thing to imagine the horrors of physical destruction brought on by a nuclear attack. It seems a difficult thing for people to understand the meaning of the political, moral, and social destruction that is involved in the communization of the civilized world. We cannot even grasp the full extent of it by looking at what the Communists have done already in the areas they control. For they have been unable to completely work their will on their subject peoples.

The existence of a great and powerful free community exercises a restraint upon them. The public remembrance of the old order still limits them. The need to concede some things to the wishes of their subjects still restrains them. Should they conquer the world, and thus gain complete security, they could work their terrible will unrestrained and put into total practice their dialectic which is as yet only half realized.

Prof. Gerhart Neimeyer of Notre Dame University, has described the meaning of Communist rule in a brilliant essay, a classic, recently appearing in Modern Age.

Dr. Neimeyer says at one point:

"Communism is destructive with a novel quality, not mere injustice or mere unfreedom, but the ravaging of the reality of human life by the spirit of dogmatized unreality. Western intellectuals understand the danger of material destruction, which is, after all, simple and obvious. The quality of communism's destructiveness has so far escaped their grasp. To understand it, one must get oneself to enter a mental world of distortion, reason perverted with the aid of force, half-truth set up as dogma, deceit espoused as norm."

If the Communists sought only to rule the world, then the danger could be judged in the same light as that of previous aggressive tyrannies. But they want more than to rule the world. They want to destroy it and remake it in the image of their insane dogma.

To the Communist, everything that we hold to be true is false. Our ideals, values, customs, loyalties are to him parts of an ugly system he is determined to destroy. Our concepts of God, the individual, the family, truth, love, freedom, justice are to him objects of hatred and derision.

But our world haunts him. He cannot be content just to deride us and wait for our demise. If our truths are real, then his life is a senseless nightmare. He must banish our values to vindicate his own.

In the long run, therefore, our death becomes essential to his life. He is locked tight in an irrational system which admits of no truth or standard of measurement outside its own dialectic.

To the extent that he is a Communist, he abhors the non-Communist world and is compelled to work for its destruction. To the extent that he is a Communist, he can know no peace. He is driven on by a desperate inner compulsion toward the destruction of the existing world order.

The only priority ahead of the destruction of our system is the building and preservation of his own. The only restraints upon his designs against us are his fears for the safety of his own system.

The threat of Communist subjugation, therefore, differs from the threat of all previous attempts to conquer the world. Here is no tyranny which seeks domination only for the sake of power, or spoils, or exploitation, or even the gratification of limitless ambition. Here is a depraved Samson which seeks to pull down the pillars of the present world and raise in its place a structure such as man has never seen. How would our lives be changed should the Communists achieve world domination? What would Communist rule mean in America?

The revealed truths of religion would be thoroughly and systematically stamped out. Religious instruction and services, the Sacraments, the means of grace which we hold to be essential for the salvation of the human soul, would be made as unavailable as perverted man can make them. Knowledge of the true goal of our existence, eternal life, would be erased insofar as it is possible for it to be erased.

The concept of private property, around which so much of our daily life revolves, would be swept away. The fabric of free choice, through which we shape our lives by thousands of our own decisions, would be unraveled. Family life as we know it would disappear. Our free associations would be gone.

Pride of country, respect for law, satisfaction with our basic political and social order, all of which so much conditions our habitual attitudes, our character, our personality—all this would vanish.

Every aspect of our lives, from the sublime to the ridiculous, would be swept away and in its place erected the insane, irrational, antihuman regimentation of every phase of life, which requires not mere submission to evil but active participation in it.

Again to quote Dr. Neimeyer:

"Their rule is 'not of this world,' not of the world of present reality, but of the unreality of speculative fiction. That is why their hostility to the present-day world is so unrelenting. That is why they impose their party line not merely to secure their power, but to combat the expressions of the present-day world in art, poetry, music, philosophy, and religion. That is why they are never contented with mere compliance under their rule, but always seek to break their victim's mind from the world of common humanity, to attach it to the cause of the dialectic future, to bring about its inner transformation by means of self-criticism or public confession. That is why they cannot stop lecturing even to their life-long enemies in the inhuman setting of the prison camps. That is why there can be for them no truth, ethics, wisdom, save in the party's will, why every act of the party's power is to them hallowed through its service to the dialectic of history. And that is why Communists, in their relations with men and women of the present-day world can never achieve peace, no matter how strong a structure of power they erect."

For the existence that we have known, Communist rule would mean a death as final as the grave. And our despair would be magnified by the sight of our children and grandchildren born into and growing up in a world alien to everything once cherished—a world of darkness, a world without faith, a world dead to either temporal or eternal realities.

This is the fate which the avant-garde of the neutralists is willing to accept now if they can thereby purchase the guarantee that there will be no war; death of the soul, death of the spirit, death of the heart, if only the body is permitted to live.

Failure to understand the evil of communism is only half of our problem. The other half is that so many free people do not understand the meaning of Government in their lives, nor the significance of freedom.

They tend to downgrade the importance of our political structure. They tend to think that we work out our destiny, our happiness in the private sphere of life and that the public sphere provides only utilities, peripheral benefits, law, order, safety.

They think that a change of government, or a new system of government, might cause some distress, some inconvenience but it would not reach the heart of our existence, it need not intrude upon the inner sanctum of our lives.

Many of our people regard government as a nuisance, a game of spoils for politicians, a butt for jokes. Many think that whatever degree of contentment and happiness they have achieved has come about independently of, or in spite of our political institutions rather than in large measure because of them.

These assumptions are tragically erroneous. The extent to which our lives are influenced by public institutions is difficult to exaggerate. Our education, our development, our ideas, goals, hopes, are all heavily influenced by a variety of public institutions. These institutions reflect the basic ideas of our people about God, about the nature of life, the destiny of mankind, the way that life should be lived.

Our public institutions determine whether our home is our refuge or a mere extension of the state; whether we live with our neighbors comfortably as with friends, or fearfully as with spies; whether we raise our children according to our lights, or surrender them to the state; whether we are free to work out a private life of our own making, or have no private life, but only a public existence ordered to serve the all-consuming demands of the state.

If our public institutions reflect our religious, ethical, and social ideals, our personal growth can take place with a certain harmony. If they do not, we are at best dogged with doubt and confusion and, at worst, reduced to hopeless frustration and neurotic helplessness.

If there are no religious or ethical convictions reflected in public institutions, but only a ruthless program to exterminate them and replace them with false gods and distorted truth, then the purpose of human life is so frustrated, the goal of life is so obscured, that it is really dehumanized.

And so the uprooting of public order, the destruction of this system of free institutions and its replacement with an order which is totally alien would wholly destroy our mode of existence as we have known it. This is a death as real as physical death itself.

And as the public framework is pulled down, as the churches are destroyed, as our ideals are uprooted, as human knowledge of God and His revelation is blotted out, as all the moral refinements and elevations of human nature wrought by thousands of years of our Judaic-Christian heritage are eroded away, our descendants may be condemned to a death infinitely more final than physical death, for we leave to them a world without the instruction, the aids, the instruments of grace which are necessary to man's eternal salvation.

That is the argument that I would make to the neutralist intellectual. But I would make it with scant hope of success, for in many ways he is little better than the Communist.

He is the lukewarm, for whom Christ reserved perhaps the most severe condemnation of the New Testament.

Convinced that there are no moral absolutes, he can wholly commit himself to nothing and he finds nothing worth suffering

greatly for or giving his life for. Convinced that there is no life beyond the grave, animal survival is to him the ultimate reality.

Fear blinds him to his own best interests; pettiness robs him of the magnanimous courage to risk all for the sake of posterity; pride compels him to cloak his fear and pettiness in the mantle of high, noble motives. All he can offer the civilization which has given him life and growth is the whimpering counsel of despair and abandonment.

Only history can tell how much of our intellectual community deserves this description. We may fervently hope the portion is small.

Any philosophy or political program which aims at the avoidance of death or destruction is foredoomed to failure.

Death, in the end, comes to all men and destruction comes upon all material things. In the century-old words of Cardinal Newman:

"The world passes, the lofty palace crumbles, the busy city is mute, the ships of Tarshish are sped away; death comes upon the heart and the flesh. The veil is breaking."

It is not the circumstance of death, but the moral quality of life that has eternal significance.

Let us help our countrymen to react to the risk of nuclear death not with a craven terror that prompts the betrayal of all we value in return for the wormlike existence of Communist slaves for ourselves and our descendants. Let us help them to regard death as the time of judgment, the time of entry into immortality.

Let our people live, and if need be die, in defense of our faith, our freedom and our country, confident that our individual destiny and the survival of our race is yet in the hands of Divine Providence, a Providence which, if we but act our part with courage and loyalty, may yet ordain for us and our children a full, natural life in a world in which the peace of a just political and moral order is extended to all peoples.

Addresses of Congressman John Brademas, of Indiana, and Martin McKneally, National Commander of the American Legion, at Dedication of New Post Home of James Lowell Corey Post 68, American Legion, Argos, Ind., May 15, 1960

EXTENSION OF REMARKS

OF

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1960

Mr. BRADEMAS. Mr. Speaker, on Sunday, May 15, in Argos, Ind., members of the James Lowell Corey Post 68 of the American Legion took part in ceremonies marking the dedication of a new post home to replace one that burned in 1958.

Among the persons participating in this event were the distinguished former Governor of the State of Indiana, the Honorable Henry F. Schricker; the Indiana department commander of the American Legion, Donald Hynes; and the commander of the James Lowell Corey Post, Bruce Van Der Weele.

Of particular interest to the Legionnaires and their families was the moving address of the national commander of the American Legion, Martin B. McKneally, of New York, who dedicated the new post home.

CONGRESSMAN BRADEMAS PRESENTS AMERICAN FLAG

It was my honor on this occasion to to present to the members of the James Lowell Corey Post a 49-star flag which had flown over the Capitol of the United States on July 4, 1959, the day when the 49-star flag became the official flag of our country. I was also pleased to present the post with four pencil drawings of the "Four Fortresses of Freedom," the White House, the Capitol, the Supreme Court, and the Declaration of Independence.

Mr. Speaker, under unanimous consent I include my own remarks on this occasion and those of National American Legion Commander McKneally:

REMARKS OF CONGRESSMAN JOHN BRADEMAS ON MAY 15, 1960, ARGOS, IND.

Governor Schricker, Commander McKneally, Commander Hynes, Commander Van Der Weele, fellow Legionnaires and friends, today is a great day not only for members of the James Lowell Corey Post of the American Legion but for all Hoosier Legionnaires. Not often do we have an opportunity to have our distinguished national commander, Martin McKneally, in our midst and we welcome him here today.

I want to congratulate Commander Van Der Weele and all the members of James Lowel Corey Post 68 of Argos for their dedicated efforts which have made possible the construction of this fine new home.

ARMED FORCES WEEK SLOGAN: POWER FOR PEACE

It is fitting and proper that we should dedicate this new home on the eve of Armed Forces Week, which begins tomorrow and runs through May 22. Commander McKneally has asked all Legionnaires to support the 11th observance of this week and Commander Hynes has been named by the Governor of Indiana to serve as Indiana State chairman of the observance.

The recognition of Armed Forces Week is therefore a splendid symbol of the continuing devotion of the American Legion to the security and defense of our country and to the cause of freedom.

The slogan of Armed Forces Week is "Power for Peace." All Americans want peace. Democrats want peace. Republicans want peace. You want peace and I want peace. Yet you and I know that today the world is standing on a tightrope, with peace depending in large measure on the capacity of a divided world to maintain its balance and not fall into the volcano of nuclear war.

REPUBLICANS AND DEMOCRATS DISCUSS ARMS CONTROL

It is encouraging to see that political leaders of both our great political parties are now discussing the problem of arms control more seriously than it has ever been discussed before. For as Secretary of State Christian Herter made clear in February in his famous speech to the National Press Club in Washington, D.C., the only sure longrun way to defend ourselves in this troubled world is to work out an effective disarmament agreement with our adversaries in the Soviet Union, an agreement which, I hasten to add, will of course require effective inspection guarantees.

WE MUST BE MILITARILY STRONG IN ORDER TO DISCUSS DISARMAMENT

But I am sure Commander McKneally would agree with me that we in America must be strong militarily if we are to have bargaining power in dealing with the Soviet Union, even on the subject of disarmament.

We cannot lead effectively from a position of military weakness.

That is the meaning of the slogan, "Power for Peace."

We must be strong not only militarily but economically and diplomatically as well, for our Communist adversaries do not fight the cold war on one front alone. We have already seen, for example, how Khrushchev has been exploiting the unhappy blunder of the U–2 incident for all the anti-American propaganda he can make of it.

I have no wish to exploit this matter for partisan gain for we want our President to enjoy the united support of the American people as he goes into talks at the summit which may directly affect the destiny and peace of the entire world. We nonetheless must recognize how our Government has been placed on the defensive by this incident and by the way in which Khrushchev has been using it.

AMERICA FACED WITH POWERFUL CHALLENGE IN SOVIET UNION

We must realize more than ever by the events of recent days and by the trip which Khrushchev made across our country last year that in him and in the Soviet people whom he leads we are confronted with the most powerful challenge to our survival as a free society in all the history of the American Republic. We must be prepared to understand the nature of the challenge we face.

We believe in a free society. The Communists believe in a slave society.

We believe in an open society. The Communists believe in a closed society.

If we are effectively to meet the challenge of the Communist world, we must be prepared to sacrifice. We must understand why we must be strong if we are to continue to be free.

WE MUST HAVE POWER IF WE ARE TO HAVE PEACE

Better than most organizations in our country, the American Legion understands the dangers of the Communist challenge to freedom, understands why we must have power if we are to have peace.

I therefore deem it a high honor and a privilege, as your Representative in Congress, in the presence of our national and State commanders and of Commander Van Der Weele and all my fellow Legionnaires to present to the members of the James Lowell Corey Post 68 of the American Legion this American flag which was flown over the Capitol of the United States on July 4, 1959, the day the 49-star flag became the official flag of our country.

I have another gift which I am pleased at this time to present to you, four pencil drawings of the Four Fortresses of American Freedom: The White House, the Capitol, the Supreme Court Building and the Declaration of Independence.

May these drawings and may this flag serve as an ever constant reminder to all members of the American Legion of the greatness of our country and the freedom which is the birthright of the American people.

REMARKS OF NATIONAL COMMANDER MARTIN B. MCKNEALLY, THE AMERICAN LEGION, AT THE DEDICATION OF THE NEW HOME OF THE JAMES LOWELL COREY POST, ARGOS, IND., MAY 15, 1960

I am delighted to be in Argos and to assist in the dedication of this beautiful new building wherein will be housed not only the men and women of James Lowell Corey Post but their ideals as well. This new post home is a fulfillment of the hopes and labors of the men and women of Argos for 40 years. It is a monument and at once a milestone of progress in the history of the American Legion.

The American Legion stands solely as the architect of the rehabilitation program with its network of hospitals across the land which is monument enough for any group of founders, but what of the millions of hours spent in hospital visitations? What of the millions of dollars spent in child welfare? What of the original thinking that chartered the course of the country in ways of preparedness or national security? What of the GI bill, written by the American Legion and sponsored over the protest of professional educators? What of the development of a strong, authentic voice in the field of Americanism? What of the multifarious arts of charity that have become a legend in the land? What a heritage—what a perfect description of this heritage of charity was written by the immortal Shakespeare when he penned the lines which read: "How far that little candle throws its beams, so shines a good deed in a naughty world."

THE PURPOSE OF THE AMERICAN LEGION

I have said on previous occasions that the American Legion purpose in our day was the sustaining of the doctrine of belief upon which this Nation was founded and without which it must perish, and that is the belief in the existence of God and in the dignity of human personality. I need not point out to you that today it is those twin beliefs which are under the most relentless and the most powerful attack in the history of mankind.

CALLS FOR CONTINUED ATTENTION TO U.S. GRAVES ABROAD

The American Legion holds in high esteem the profession and the office of the soldier. If it were not for the soldier there would be no America and there would be no hope for men who love freedom. In man's ceaseless struggle to be free, he must be willing to pay the enormous costs of war. It is the melancholy record of fallen man, that his motivations conflict and collide. His will to do evil and his baseness must be reckoned with and the reckoning sometimes enslaves and it very frequently kills. I commend to your most reverent attention the thousands of graves abroad in cemeteries cared for by the American Government and I direct you to the fact that five new cemeteries are to be dedicated this year. Hardly a word is written, a picture published concerning this subject and I am informed that this is so because the present-day rationale of the American people is not to be reminded of the ugliness of the cost of freedom. Freedom and the cause of America we say to you, must never be computed in the terms of dollars and cents. The only item to be considered is the cost of men's lives. Reminiscence and reminders of this fact must be the No. 1 item on the agenda of our daily lives, depression, and sadness to the contrary notwithstanding.

"WE ARE EITHER FOR FREEDOM OR WE ARE AGAINST IT"

For we have an enemy, an enemy that opposes everything that we hold dear and that enemy makes our age one of tremendous risks. And in this age there is no neutrality, we are either for freedom or we are against it. Fear of atomic destruction does not provide us with the solution of the dilemma. There is a considerable body of intellectuals whom the fear of atomic war has obsessed. They have made their objective in life only the preserving of existence. One reads of their thinking with a certain horrifying fascination. Phillip Toynbee states as follows: "In the terrible contest of nuclear war even the vital differences between communism and western freedom become almost unimportant."

The West he declares should, "negotiate at once with the Russians and get the best terms that are available." Since Russia in his estimation is now and will continue to remain stronger there is nothing to do for the West "but to negotiate from comparative weakness." He admits that this may well set up the total domination of the world by Russia in a few years. The Soviets would impose on us a regime which most of us detest but this is better than allowing the human race to destroy itself. And one of Toynbee's confreres observes, "I might not much mind living under Soviet domination."

These men are not Communists but they have lost their will; they have lost it to fear and to despair, in the pursuit of existence. They have lost sight of the truth which is simple enough and that is that we in our day are faced with two destructive forces of incredible dimensions. The bomb represents material devastation, the Communist party political destruction.

THE SOLEMN DILEMMA OF OUR TIME

This is the solemn dilemma of our time and this is the foremost consideration of our people this afternoon. The administration in Washington has chosen by its continuation of nuclear testing, by the flight of the U–2 over the secret territory of the Soviets to pursue the ideal of political freedom. What kind of a nation with the holy mission of preserving its sovereignty, its people, and its freedom, would do less in the face of the gigantic dilemma? To sit by knowing what we know, facing what we face, and do nothing, would make the cemeteries of Europe where our honored dead are entombed, and the whole history of this Republic a gargantuan jest. The administration is charged through its intelligence service with the responsibility of providing for the safety of its people; its duty is plain and it is to gather the facts with which it may discharge that duty. Must we act as if its duty were less? Must we act as if the obtaining of information necessary to our own defense against a secretive and threatening power was to commit a sin? Are we to assume the abasing role of the boy caught with his hand in the cooky jar when we know the food there obtained is the only means of sustaining freedom and hope? I for one American, suffer no embarrassment and highly praise all those in authority who see clearly the bitter dilemma of these days. We of the American Legion do not seek to impose our views but we do propose to all that there is no flight from the serious business of our days and that is the survival of free man.

MEN OF COURAGE, FAITH, IDEALS NEEDED

The late Albert Camus tells us, "with every dawn an assassin slips into some cell, murder is the question before us." This is the solemn keynote of our time, the murder of men and the murder of ideals. As Americans, let us conduct ourselves as men. Men of courage, men of faith, and men of ideals. There is no other way open to us, for Americans may not be craven, they may not be pacifistic, they may not be men of despair.

In the world there is but one city in which we can dwell, it is the city of the halt, the blind, the maimed, but it is the city of charity, and it is the city of courage, the city of freedom. It is the City of God. Outside it is the night.

SENATE

WEDNESDAY, MAY 18, 1960

The Senate met at 12 o'clock meridian, and was called to order by the President pro tempore.

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

Lord God Omnipotent, Thou only art the help and hope of our distracted world in all the disasters in human relationships the wrath of men brings upon it.

Though people imagine a vain thing, Thou still art God, and Thy mercy endureth forever, in spite of all human denials and betrayals.

Make plain to our understanding that our legislative enactments and our economic adjustments in the realm of trade and commerce in themselves cannot bring social salvation, except as they clear the way for the spiritual undergirding without which we labor in vain and all our endeavors are as futile props against a decaying house that the Lord hath not made.

We ask it in the name of the One whose truth shall make us free. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, May 17, 1960, was dispensed with.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. BARTLETT, one of its reading clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 6215. An act for the relief of Mrs. Cornelia Fales;

H.R. 8606. An act for the relief of Katherine O. Conover;

H.R. 9406. An act for the relief of William J. Huntsman;

H.R. 9711. An act for the relief of Robert L. Stoermer;

H.R. 11826. An act for the relief of Loren W. Willis; and

H.R. 11827. An act for the relief of Maj. Howard L. Clark.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the President pro tempore:

S. 684. An act for the relief of Gerald Degnan, William C. Williams, Harry Eakon, Jacob Beebe, Thorvald Ohnstad, Evan S. Henry, Henry Pitmatalik, D. LeRoy Kotila, Bernard Rock, Bud J. Carlson, Charles F. Curtis, and A. N. Dake;

S. 2317. An act for the relief of Mary Alice Clements;

S. 2523. An act for the relief of Harry L. Arkin;

S. 2779. An act relating to the election under section 1372 of the Internal Revenue Code of 1954 by the Augusta Furniture Co., Inc., of Staunton, Va.; and

S. J. Res. 166. Joint resolution authorizing the Architect of the Capitol to permit certain temporary and permanent construction work on the Capitol Grounds in connection with the erection of a building on privately owned property adjacent thereto.